SUSTAINABILITY REPORT 2022

Expect more!

Hammerer *Aluminium Industries*

CONTENTS

FROM THE MANAGEMENT

At Hammerer Aluminium Industries, sustainability is a core value of our corporate self-image. HAI is a family-owned business and responsible management is firmly anchored in our company policy. One of the goals of the HAI Group is to continuously increase the sustainability of aluminium products through constant innovation. We want to make aluminium even more sustainable and efficient as a raw material for products, and to open it up for use in new fields of application.

This means using sustainable production processes, but also guaranteeing occupational health and safety, commitment to charitable causes, and promoting local procurement and long-term relationships with our staff, customers and suppliers. Since the company was established in 2007, we have committed to the circular economy and recycling processes, and can count ourselves among the pioneers of the European aluminium industry.

Our CO_2 emissions are significantly below the European average and a fraction of global values. All of these aspects feature regularly in our annual Sustainability Reports. In 2022 HAI received the Upper Austria (OÖ) Energy Globe Award and was named Austrian Best Managed Company. HAI offers its customers alloys with one of the lowest carbon footprints on the global market. Sustainable corporate governance, aluminium recycling, green sourcing, green energy and environmentally friendly processes are the cornerstones of this success. In this way, HAI is making a valuable contribution to the European Green Deal and its focus on the circular economy.

Our employees are a key factor in the company's success. We can only remain competitive and innovative if we succeed in attracting highly qualified employees to the company and retaining them. HAI has a strong corporate culture. Our managers exemplify and clearly communicate HAI's values: trust, abundant opportunity and drive.

Today, HAI is continuing its success of recent years and is forging ahead with an investment of EUR 150 million to develop the group of companies for the future.

GRI 2-22 (2021)

Rob C. J. Van Gils
CEO, HAI-Gruppe

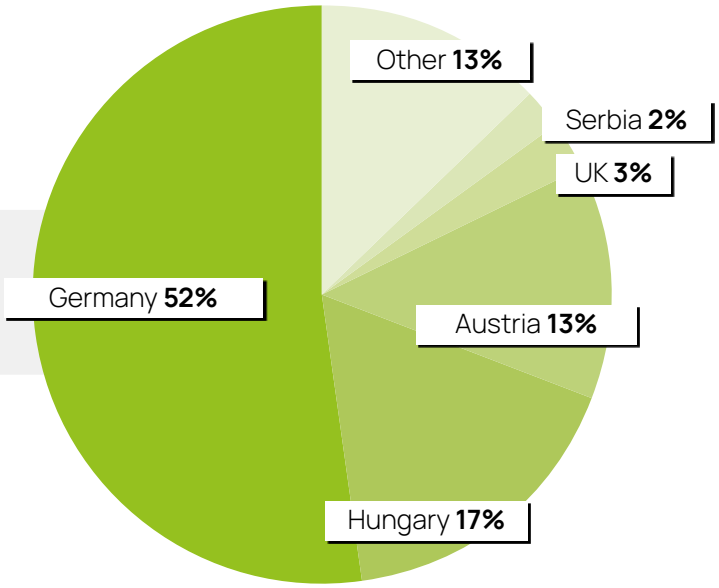
Markus Schober
COO, HAI-Gruppe

* N.B.: To make it easier to read, the masculine form is used in this Sustainability Report when referring to persons and personal nouns. Where appropriate, terms apply to all genders for the purposes of gender equality.

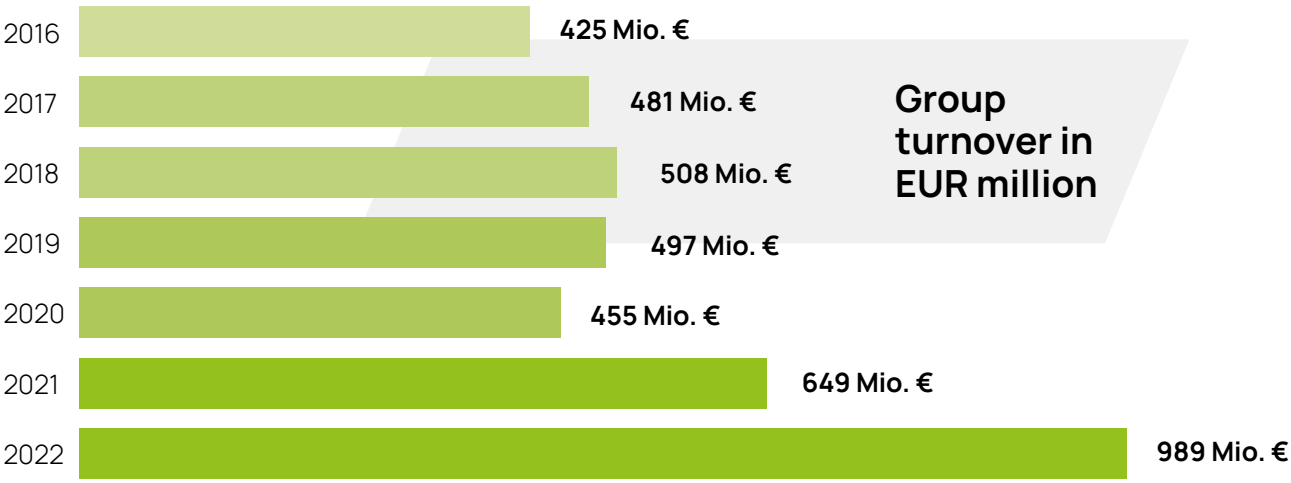
KEY FIGURES FOR 2022

In 2022 HAI and its 2,000+ staff of 37 nationalities achieved a record turnover of EUR 989 million.

Group turnover in 2022 by country in %



Group turnover in EUR million



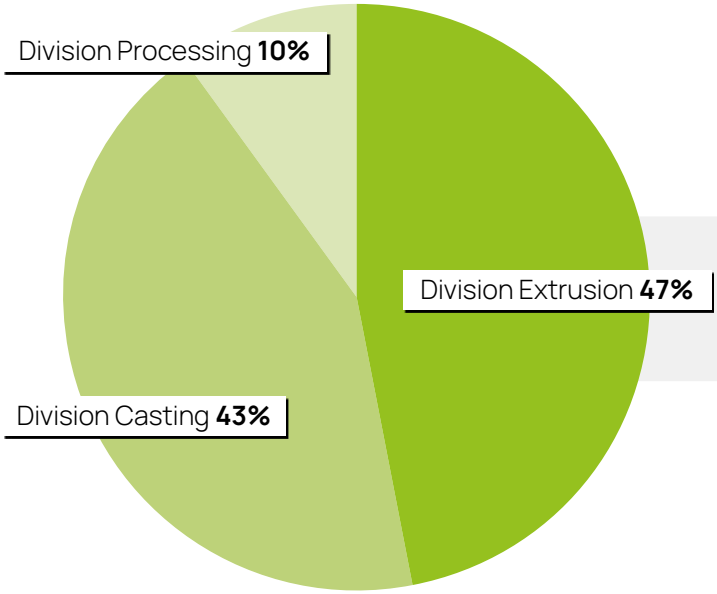
AWARDS IN 2022

In 2022 Hammerer Aluminium Industries received the following awards:

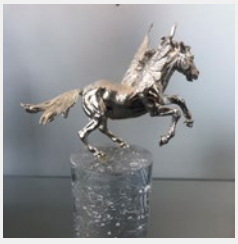
For its sustainable alloys SustainAl 2.0 and SustainAl 4.0, HAI received the Upper Austria Energy Globe Award

Group sales in tonnes

Group turnover 2022 by division in %



GRI 2-6, 2-7 (2021)



IIn the category „Success Stories“, HAI won the Silver Pegasus, the most coveted business award in Upper Austria

AUSTRIA 2022 BEST MANAGED COMPANIES

Deloitte Austria and Raiffeisen Landesbank Niederösterreich/ Vienna jointly awarded HAI the prestigious award of „Austria's Best Managed Company“ for its excellent leadership

PART 1

WE ARE THE HAI-GROUP

WHAT WE STAND FOR:

"From the recycling process to high-tech aluminium profiles and finished components: Hammerer Aluminium Industries, or HAI, is a reliable supplier of complete solutions to the aluminium industry."

CHRONICLE

HAI has a very special history of success. It combines the dynamics and innovative spirit of a young enterprise with the experience of a traditional company - that makes HAI a global player with strong roots in the region.

DIE HAI-GROUP

There are some companies you simply expect more from: here at Hammerer Aluminium Industries – HAI for short – we see ourselves as the hidden champion of the aluminium industry. We provide sustainable solutions throughout the value chain for the transport, construction and industrial sectors.

Inspired by the highly complex material that is aluminium, at HAI we continually strive to deliver the perfect end-to-end solution for our customers. We are at the forefront of technology and are continually expanding our capabilities. This makes us one of the few suppliers that can provide a seamless production chain – from casting to extrusion and processing. Our accelerated implementation times mean we drive innovation in these areas. This contributes significantly to our customers' success.

One of the goals of the HAI Group is to continuously increase the sustainability of aluminium products through constant innovation. Our intention is to make aluminium even more sustainable and efficient as a raw material for products, and to open it up for use in new fields of application.

In 2022 Hammerer Aluminium Industries employed 2,000 staff. Established in 2007, the company has its head office in Ranshofen in Upper Austria, and has seven other sites in Germany, Romania and Poland. HAI's journey has been a great success story. It combines the drive and innovative spirit of a young company with the experience of an established business. In recent years we have achieved powerful, steady growth. Nevertheless, we have remained true to our roots as an exceptionally reliable family-owned business with close customer partnerships.

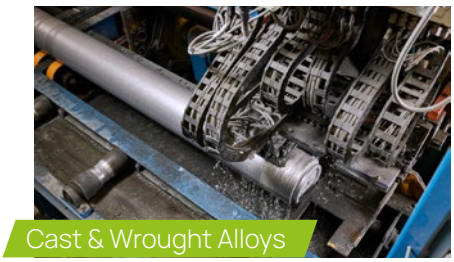
GRI 2-1, 2-6 (2021)

We provide end-to-end aluminium solutions: from the recycling process and high-tech aluminium profiles to finished components. Our HAI aluminium cycle starts with the strategic purchasing of metal, then involves pre-processing, sorting, smelting and/or finishing, casting, extrusion, and even further processing.

HAI achieves an exceptionally high recycling rate. This is only possible by using a wide variety of scrap types and because of our thorough knowledge of the material and finely-tuned production processes, not to mention our staff's long-standing recycling expertise. So, to ensure the highest possible scrap input, we have invested significantly in production systems, furnace technology, waste materials management and scrap processing in recent years.

GRI 2-6 (2021)

(GRI 102-9)


Cast & Wrought Alloys


Machine and Plant Engineering


Automotive


Building & Construction


Electrical Industry


Commercial Vehicles


Rail

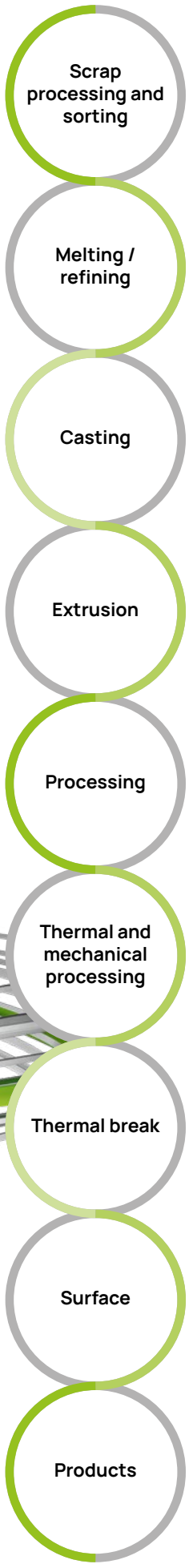
OUR VALUE CHAIN

Success in manufacturing comes from managing the interaction between the many technologies involved. HAI provides innovative aluminium solutions from a single source – from recycled materials to sophisticated profiles and complex components – while taking account of all of the sustainability issues involved. We achieve this through our state-of-the-art production facilities, comprehensive research and development – especially in relation to new alloys – and nurturing long-term development partnerships. These partnerships benefit from our unique vertical range of manufacture and our seamless value chain. This applies to our fully integrated Ranshofen site and to all of HAI's factories.

GRI 2-6 (2021)

HAI provides innovative aluminium solutions from a single source - from recycled materials to sophisticated profiles and complex components.

The one-stop-shop for all things aluminium



SUSTAINABILITY REPORT PROFILE

We believe it is important to keep our stakeholders up to date about our developments and progress in the field of sustainability. HAI therefore prepares and publishes annual sustainability reports.

For the first time, this report presents our route to decarbonisation, including an action plan to address the key issue of reducing CO_2.

We have produced this Sustainability Report according to the internationally recognised guidelines of the Global Reporting Initiative (GRI), which were updated in 2021. The complete GRI index and a list of GRI standard specifications can be found on pages 60-61 .

It also includes data and key figures for the 2022 fiscal year (01 January – 31 December 2022).

The disclosures in this Sustainability Report concern Group subsidiaries based at the company's head office in Ranshofen, Austria and our production plants in Sântana and Cris, Romania and Soest, Germany. Some figures from the Group's financial statement have been used (see „Consolidation overview").

The 2022 reporting year also saw some changes to the organisational and ownership structures within the HAI Group, and the company size. Further details can be found in the GRI Content.

The contents of this report have not been audited by an independent third party.

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GRI 2-2, 2-3, 2-4, 2-5, 2-6, 3-1, 3-2 (2021)

Contact us!

We value our stakeholders' opinions. Please send any questions, comments or feedback about the contents of this report by email to: sustainability@hai-aluminium.com

PART 2

“WE BELIEVE IN COOPERATION AND FAIR PLAY ”

SUSTAINABLE CUSTOMER AND SUPPLIER RELATIONSHIPS

OUR APPROACH:

“As a supplier of high-quality aluminium products, the success of the HAI Group depends on our customers’ satisfaction. We achieve this through fairness, long-term relationships, reliable delivery and the highest quality standards. This way, we create an environment that guarantees a high level of customer satisfaction, both now and in the future. We select our suppliers with great care: mutual appreciation, support and sustainable partnerships are key. We always regard our customers and suppliers as partners.” GRI 3-3 (2021)

DEFINING MATERIALITY AND STAKEHOLDER GROUPS

Once a year, the HAI Group defines the relevant stakeholder groups as a management system process. The focus is on each stakeholder group's direct or indirect impact on all of the processes at HAI, and their impact on economical, environmental or social aspects of the company. Consideration from these three perspectives allows HAI a broader view of itself; it can thereby assess its impacts on the stakeholder groups and the environment.

The HAI Group completed its first materiality assessment for the 2019 Sustainability Report, in cooperation with the stakeholder groups. The company identified numerous material topics and divided these into four general groups. The materiality assessment forms the basis of the Sustainability Report. A new materiality assessment is planned for the 2023 reporting period, which will be carried out in accordance with the steps in the GRI Standard (GRI 3: Material Topics 2021).

GRI 2-29, 3-2 (2021)

Environment, health and safety

One of the main goals of HAI Group as an employer is to create a safe and healthy work environment for our employees.

Current themes like energy and resource efficiency, emission reductions and other environmental related themes are also recognized in the HAI Group.

Corporate governance and ethics

Ethical business practices are one part of our way of taking responsibility. The HAI Group has clear principles when it comes to conductin business. We are promoting these principles and values through our code of conducts and our anti-corruption policy

Employees and community

Employees are one of the most important assets of the HAI Group. We believe in investing in our employees by providing a chance of professional as well as personal development. HAI Group is also part of a bigger community. We have taken action to give back to the communities around us in various ways.

Supply chain responsibility

As a future oriented company, we can see the value of innovation as a response of the future challenges like climate change. We have taken our sustainability approach in year 2019 one step further with becoming a member of Aluminium Stewardship Initiative.

OVERVIEW OF HAI GROUP STAKEHOLDERS

The HAI Group evaluates its stakeholder groups annually in accordance with the management system and other requirements. The table below shows the major stakeholder groups in the HAI Group.

Interessierte Partei AT/DE/RO	Grund für die Aufnahme	Intern/ Extern	Bedürfnisse und Erwartungen
Company shareholders	• Secure resources • Define the business vision	Internal	• Realise profits • Safeguard corporate development • Secure the equity ratio
Company Management	• Resource allocation • Responsibilities in corporate governance • Business strategy	Internal	• Sustainable development • Achieve objectives • Secure environment • Customer satisfaction
Staff	• Implement the responsibilities in management decisions	Internal	• Punctual, reliable remuneration • Safe workplace • Attractive working environment • Personal development
Labour authorities	• Statutory requirements	External	• Comply with statutory provisions • Specific reports and inspections
Metal management	• Procurement of raw materials	Internal	• Timely delivery • Efficient warehousing
Environmental authorities	• Waste management	External	• Recognise statutory requirements • Comply with statutory provisions
Certification bodies	• Obtaining and maintaining certificates of conformity	External	• Compliance with standard requirements
Municipality	• Impact on operations performed	External	• No negative effects on the local environment • Participation in social initiatives (good citizenship) • Initiatives for the benefit of the community • Supporting site development
Transport service providers	• Responsible for deliveries and incoming raw materials	External	• Loading and unloading plans are timely and respected • Efficient transport routes
Works Council (RO), Unions (AT, DE)	• Works Council constitution • Collective bargaining agreement	Internal	• Changes within the agreement • Annual negotiations
Federal Ministry of Agriculture, Forestry, Environment and Water Management	• Statutory requirements	External	• Compliance with statutory requirements
Fiscal authorities	• Statutory requirements	External	• Accurate and timely reports • Compliance with statutory requirements
Auditors	• Self-assessment • Inspectorate	External	• Ensure that shareholder capital is spent according to the policies
Banks	• Business strategy	External	• Monthly reports, information on business performance
Insurance companies	• Business strategy	External	• Monthly reports
Customers	• Basis for our company	External	• High-quality products according to their specifications • Timely delivery
Suppliers	• Basis for our company	External	• Punctual payment • Competitive prices • Delivery options • Securing the supply chain
AMAG	• Proximity and statutory responsibilities relating to the environment, health and safety	External	• Recognise statutory requirements • Compliance with statutory requirements • No negative effects on the local environment
Environment	• Proximity and statutory responsibilities relating to the environment, health and safety	External	• No negative effects on the local environment

GRI 2-29 (2021)

OUR PRINCIPLES

One of the goals of the HAI Group is to continuously increase the sustainability of aluminium products through constant innovation. Our intention is to make aluminium even more sustainable and efficient as a raw material for products, and to open it up for use in new fields of application.

We treat cooperation with our stakeholders, such as customers, suppliers and trade associations, as a particularly high priority. Synergies, regular interaction and targeted communication form the basis for leadership in the field of sustainable production and products, as well as innovative products with outstanding product properties.

To increase transparency with respect to our suppliers, the HAI Group uses a range of supplier assessment platforms to disclose information in addition to its annual Sustainability Report

What is CDP?

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. The world's economy looks to CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action. (Source: www.cdp.net)

The HAI Group disclosed its data to CDP as a supplier for the first time in 2021 and has done the same for the 2022 reporting year.

GRI 2-29 (2021)

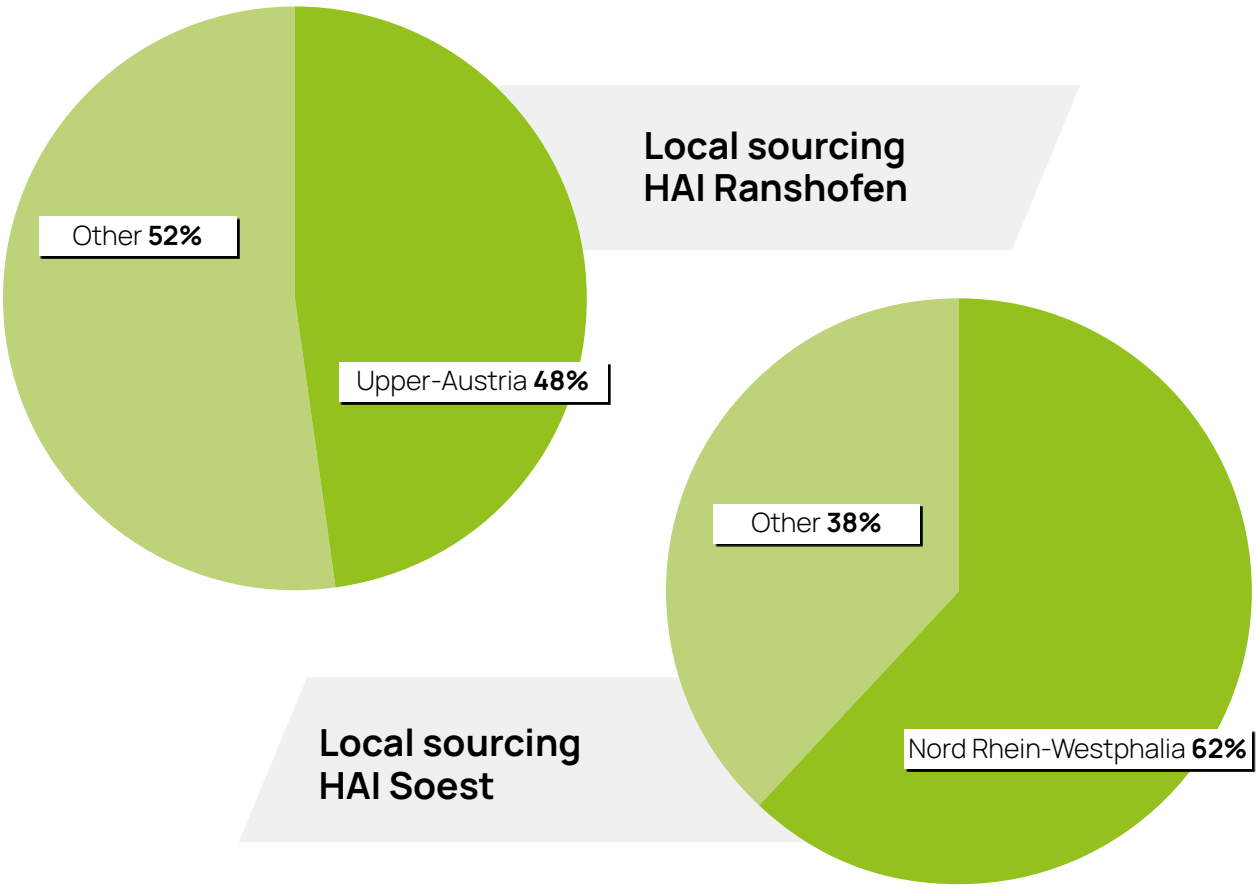
LOCAL PROCUREMENT

To avoid long transport routes and to ensure regional development around our sites, we place great value on local procurement. The majority of the goods we purchase therefore come from the immediate vicinity.

For our Ranshofen site, 48% of the goods we purchase come from Upper Austria, another roughly 17% from another Austrian province and 23% from our neighbour Germany.

For the Soest site, as much as 62% of the goods we purchase are sourced directly in North Rhine-Westphalia, while another 30% are sourced from another German state.

GRI 3-3 (2021)



Our procurement includes the following product groups:

- External processing
- Purchased parts excl. connectors
- Standard parts or connectors
- High-value resources
- High-value services
- Operating supplies
- Low-value goods
- Low-value services
- Software, hardware
- Prototypes
- Energy
- Transport
- Banking

MEMBERSHIPS OF ASSOCIATIONS & INITIATIVES

In 2022 Hammerer Aluminium Industries was a member of following associations and interest groups:

ASI - Aluminium Stewardship Initiative: The ASI has developed an independent, third-party certification programme to ensure sustainability and human rights principles are increasingly incorporated into aluminium production, use and recycling. The ASI's Performance Standard and Chain of Custody Standard are designed to combine responsible production and responsible procurement, and thus encourage greater emphasis on sustainability in procurement practices. (Source: aluminium-stewardship.org)

BIR - Bureau of International Recycling: The BIR was established in 1948 and was the first federation to support the interests of the recycling industry on an international scale. Today, BIR represents more than 30,000 companies around the world, with direct membership of around 700 companies and 38 national associations from 67 countries. Together, these members form the largest international recycling federation. (Source: www.bir.org)

European Aluminium: European Aluminium, established in 1981 and based in Brussels, is the voice of the aluminium industry in Europe. We actively engage with decision-makers and the wider stakeholder community to promote the outstanding properties of aluminium, secure growth and optimise the contribution our metal makes towards meeting Europe's sustainability challenges. (Source: www.european-aluminium.eu)

Aluminium Deutschland: With its head office in Düsseldorf, Germany, Aluminium Deutschland was established in its current form in Dresden in 1992. It is a coalition of aluminium companies that produce raw aluminium or aluminium products, including composites with other materials. As the special interest group for the aluminium industry, Aluminium Deutschland strives to maintain an open dialogue with the public, so that customers and consumers have a more transparent view and better understanding of aluminium and the products its member companies make. (Source: www.aluinfo.de)

VDM - Verband Deutscher Metallhändler e.V.: VDM is a lobby and service association for the entire metal trade. It represents the interests of over 230 member companies, which account for around 90% of the non-ferrous metal market in Germany and Austria. It forms an important link between politics and business. (Source: www.vdm.berlin)

DGFP - Deutsche Gesellschaft für Personalwirtschaft: The German Association for Human Resource Management (DGFP) has been the network for careers and excellence for HR enthusiasts in Germany since 1952. The DGFP is a registered non-profit organisation. The DGFP network involves the active participation of DAX-listed corporations, SMEs, renowned scientific organisations and consultancies. The DGFP supports HR professionals in their careers and lobbies the political world and society at large about HR management issues. (Source: www.dgfp.de)

IV - Industriellenvereinigung: The Upper Austrian Federation of Industry (IV OÖ) is a voluntary, non-partisan interest group representing industry and industry-related service providers along the entire value chain. It brings together around 450 companies in Upper Austria with around 150,000 employees. Its members include national and international corporations, family businesses and numerous SMEs from different manufacturing and service sectors. (Source: www.oberoesterreich.iv.at)

WKO – The Austrian Chamber of Commerce: The Austrian Chamber of Commerce represents more than 540,000 member companies. As a powerful voice for businesses, we advocate for future-oriented and business-friendly policies, e.g. tax relief, reduction of bureaucracy and subsidies. (Source: www.wko.at)

Senat der Wirtschaft - As a non-partisan business organisation, the Senate of the Economy is a driving force for shaping an eco-social and sustainable economy and society.

WGM - Wirtschaftsverband Großhandel Metallhalbzeug e.V. - is the trade association for German and European traders and processors of non-ferrous (NF) semi-finished metal products. Supporting members of the WGM are national and international semi-finished product manufacturers.

Due to the global Covid-19 situation, in 2022 - as in the previous year - most meetings with the various initiatives and associations were held online.

(GRI 102-12, 102-13)

MISSION, VISION

VISION

The most dynamic and sustainable provider of aluminium solutions for the transport, construction and industrial sector

We want to be recognised by our customers as the most dynamic and sustainable provider of high-quality aluminium products and solutions from our continuous value-added chain.

MISSION

HAI-END“ ALUMINIUM SOLUTIONS FOR SUSTAINABLE PERFORMANCE

We focus on building a trust-based, long-term partnership with our customers and on our joint, dynamic and continuous development. This means: we implement innovative solutions quickly, we produce technologically demanding products to the highest of quality standards, and we always supply them in a reliable way. In doing so we attach special emphasis to occupational health and safety, environmental protection and sustainability, and we bring all these issues together in effective operations – for our own benefit and for our customers' benefit.

CORPORATE VALUES

TRUST

Mutual trust is the basis of our cooperation.

DYNAMIC

Decisions are made quickly and responsibly at HAI.

A VARIETY OF OPPORTUNITIES

HAI promotes my personal development - but also wants me to contribute to the company's success.

BUSINESS ETHICS AND LEGAL COMPLIANCE

At HAI, meeting all statutory requirements and voluntary commitments underpins all of our business operations. To ensure compliance with statutory requirements, we have purposefully designed structures and processes to minimise the risk of transgressions by the company or individual stakeholders, and to support legally impeccable conduct.

You can consult both of our Codes of Conduct at any time on our website:

www.hai-aluminium.com/downloads

STAFF CODE OF CONDUCT

Our values set the standard for our business operations and our conduct towards our employees, customers, suppliers, business partners, government institutions and anyone else we deal with in our work. We aim to achieve our objectives and make decisions in a fair, responsible and respectful manner, and this Code of Conduct serves as a foundation and guide.

CODE OF CONDUCT FOR SUPPLIERS

This Code of Conduct specifies our beliefs and values which apply to our suppliers. The HAI Group is committed to the internationally recognised principles of ethical and legally compliant business practices, and to supporting responsible and sustainable production and procurement. To achieve this, we systematically use this Code of Conduct with our business partners in the supply chain, our suppliers, contractors, consultants and agents.

All staff and business partners are encouraged to report any circumstances that indicate a violation of legal regulations or internal policies. Any such circumstances can be reported by e-mail to the address below.

The way they are processed ensures that all complaints are treated equally. No complaints were brought and no violations were reported during the 2022 reporting year.

No significant financial penalties were imposed for violating laws or regulations in the HAI Group during the 2022 reporting period.

GRI 2-23, 2-27 (2021)

Contact us

Violations of statutory regulations or internal policies can be reported by e-mail to this address: etchics@hai-aluminium.com

HAI MANAGEMENT SYSTEMS

Our integrated management system (or IMS for short) consists of methods and instruments for complying with requirements from sectors such as the automotive and railway industries, environmental management or occupational health & safety. It serves first and foremost to manage and monitor HAI as a business overall. Using smart synergies and pooling resources permits leaner and more efficient management.

HSE – Health, Safety and the Environment

The HAI Group recognises the particular importance of environmental protection and occupational health and safety, and takes precautions to prevent environmental pollution or any other form of negative impact on the ecosystem. It is equally important to minimise potential risks for employees associated with manufacturing extruded aluminium profiles, producing aluminium and the aluminium recycling process. Our company continually strives to make and highlight our improvements in environmental protection, occupational healthcare and occupational safety. We accomplish this by using the best technologies available, preventing environmental pollution and reducing risks for employees and anyone else who may be potentially affected. This applies to every aspect of our core business: manufacturing extruded aluminium profiles, machined and surface-treated aluminium profiles, machined/welded aluminium components, thermally insulated composite aluminium profiles and billets and ingots from recycled aluminium scrap. We are continuously improving our processes and operations in compliance with the relevant laws and regulations. Our aim is to make every single employee aware of their own individual responsibility regarding the environment and environmental protection. We analyse and assess the environmental aspects of our business, and use these results to develop our environmental programme to prevent and reduce emissions.

HAI uses the frameworks provided by ISO 14001:2015 and ISO 45001, and ASI Certification (see page 26) to create management systems that both guarantee regulatory compliance and provide a framework under which to integrate HSE as a central corporate objective and to achieve continuous improvement and sustainability.

Occupational Health and Safety policy, objectives, KPIs

The HAI Group has a Group Policy, Version 01, 3 January 2022. It is available on the HAI Connect intranet and is displayed in all HAI sites as the HSE Policy. This Policy states health and safety targets and Key Performance Indicators (KPIs) that reflect the most significant current risks within the health and safety framework, HAI's current operating environment and the achievement of the most important objectives.

As a result, audits and safety monitoring have led to a greater understanding and availability of risk assessments. It also increases understanding of the need to identify hazards, for appropriate inspections, monitoring, consultation and training to reduce the risk of injury, illness and other losses, including the risk of loss of production or service operation. As a result, we made further progress during the year by completing and reviewing risk assessments for common workplace hazards.

Data on incidents and accidents

The Health and Safety Team manages the HAI incident reporting system, which is used by all HAI sites. The aim of reporting is to ensure there is an appropriate and proportionate investigation to ensure the implementation of effective controls and monitoring and prevent any recurrence. A high reporting rate is evidence of a positive reporting culture.

This is why we use the „ICEBERG NUMBER" (near miss) programme, which aims to motivate employees and highlight any positive HSE measures they take. The criteria we followed resulted specifically from the workplace guidelines and participation by staff in HSE measures.

The result of implementing occupational health safety and health management system requirements is that HAI has not registered a single fatal accident or occupational illness to date.

Health and safety training

Through the HAI School we offer all of our staff a health and safety training programme. Since we introduced the HAI training programme, we have steadily increased the range of e-learning courses to create an annual health

and safety training programme across all sites. We focus particularly on the following six protocols: the LOTO/LTV programme, the programme for contractors, working at height, confined spaces, mobile equipment and machinery.

When it comes to health, safety and environmental protection, HAI Company Management is committed to ensuring the following through the Environment, Energy, Health & Safety Management Policy:

- Compliance with statutory environmental regulations and environmental legislation, and with all requirements relating to occupational health and safety which apply to the organisation's operations.
- Preventing environmental pollution
- Preventing injuries and occupational diseases

- Continually improving environmental performance and occupational health and safety performance through ongoing inspections of these areas
- Assessing environmental performance and occupational health and safety performance against defined objectives and targets
- Providing a working environment that protects employees' health, raises their standard of living, and makes them feel proud to work for this company.

The Environment Policy is based on achieving the following strategic goals:

- Taking a customer-focused approach to environmental issues by exceeding customer expectations
- Operating our business with precision, honesty, integrity and respect for everyone involved
- Identifying, evaluating, managing and improving any operational areas which impact the environment and our staff
- Protecting natural resources and consuming energy efficiently
- Achieving zero accidents at work or occupational illnesses
- Working for the benefit of the community, helping our suppliers and subcontractors to embrace the principles of environmental protection and staff safety, and developing programmes that support these principles

Our objective is to manage environmental issues and to optimise the parts of our business which have an environmental impact. The principles of sustainability guide us in coordinating all of the measures we implement to avoid environmental pollution and to take responsibility for future generations. They therefore form the basis for all associated measures, including related public relations activities. We have committed to this Policy by sharing it with all staff within the organisation, and making it available for public review.

Our efforts to continuously improve our health, safety and the environment record were also recognised in 2022 with an EcoVadis Sustainability Rating Gold plaque for the Ranshofen site and a Silver plaque for the Sântana site. This rating means a quality rating system can be introduced for companies' sustainability performance. It is based on a wide range of criteria, which cover various aspects of sustainability. These include the environment, labour practices, human rights, accident prevention, health and safety training, etc. This rating is another KPI through which the HAI Group can continuously improve its sustainability performance.

(GRI 102-11)

ALUMINIUM STEWARDSHIP INITIATIVE

Here at HAI, we are proud of our efforts to continuously improve sustainability and look towards achieving the highest international industry standards. In this context, we would like to highlight our certification under the Aluminium Stewardship Initiative (ASI) Performance Standard. In addition to our management systems, it helps us to achieve our sustainability objectives and to contribute to a more sustainable future.

Certification under the ASI Performance Standard is based on three principles: governance, the environment and social issues. We are committed to setting high standards in all areas.

Governance

In terms of governance, we are committed to promoting transparent, ethical business practices and ensuring effective corporate governance.
We have set up internal monitoring systems to ensure that we comply with all relevant laws and regulations and meet our obligations to our staff, customers and the community

Environment

In terms of the environment, we are committed to promoting sustainable production processes and ensuring the protection of the environment. We rely on renewable energy sources and are constantly working to minimise our energy and resource consumption. We also strive to reduce waste and emissions through recycling, reuse and technical improvements.

Social

In terms of social issues, we are committed to promoting fair and safe working conditions and looking after our employees' welfare. We are committed to an open and respectful workplace which promotes gender equality and diversity at work. We also support the communities where we operate, and take part in social initiatives and projects.

Our sites in Ranshofen and Romania are already certified under the ASI Performance Standard. Certification for our site in Soest (Germany) will follow next year.

GRI 2-28 (2021)

SUSTAINABLE PROCESSES – CIP

Innovativ and efficient

Profound economic and socio-political changes pose challenges for us all, but also bring great opportunities. „Industry 4.0“ is opening up a wealth of opportunities for innovation and optimisation through digital technology and automation.

At the same time, the wider public is becoming increasingly aware of sustainability as a concept. On the one hand, this offers opportunities to (further) develop innovative products, for example in the mobility sector. On the other hand, it creates new demands on companies' processes, particularly in terms of the environment and the careful use of resources.

HAI is meeting these challenges and opportunities face-on with first-class solutions that support our claim to be a leader in this field. Optimisation and innovation are the keywords of this tenet. This applies to the company's processes and products alike, and of course includes the raw materials we use.

At HAI, our CIP (continuous improvement process) has long been the most effective tool for continuous optimisation, and is now an integral part of our processes.

For us, this means:

CIP means standardisation

Every day, we work to improve ourselves and our processes. That helps us to develop standardised procedures, which provides the flexibility we need to meet our customers' individual requirements. It also helps us to achieve transparency if deviations arise during production..

CIP means self-discipline

We create sustainable stability by investigating root cause analysis, which we then use to develop solutions. A culture of respectful discussion helps us to gain crucial expertise.

CIP means having a team spirit

We promote a team spirit. We can only be successful together. Our CIP network gives us - and thereby the company - stability.

Following this line of thought, our continuous efforts to improve have become a permanent part of our corporate culture, and consequently a part the daily routine for every single employee, Company Management, and the owners of HAI. Suggestions from our staff make the workplace more attractive and make procedures safer and more efficient. This applies to our company, our customers and our partners.

As part of this continuous improvement process, we believe every employee has the skills to organise their own work. We recognise and nurture potential, and we reward it. Staff who are dedicated, satisfied and love working at HAI are an outcome of the process, and allow us to push our CIP with complete conviction. As we like to say,

GRI 2-29 (2021)

Markus Schober,
COO HAI Gruppe

"Clients and investors want to see a real move towards sustainable economies from an environmental and social perspective. Subjects like CO_2 emissions and the circular economy are gaining in importance. With a recycling input rate of up to 80%, our company is leading the way in the aluminium industry. We are extremely keen to push this process forward." GRI 3-3 (2021)

PART 3

"WE CONTRIBUTE TO THE CIRCULAR ECONOMY"

OUR APPROACH:

"We take our responsibility for environmental protection very seriously. We want the HAI Group's entire value chain to be a tool that helps us to implement and develop environmental standards throughout the entire production process. This is why we have developed environmental policies for HAI Group facilities which must be fully complied with."

MATERIALS

Materials used in casting

During the 2022 reporting year, around 101,691 tonnes of metal were processed by our in-house production division at HAI Casting in Ranshofen

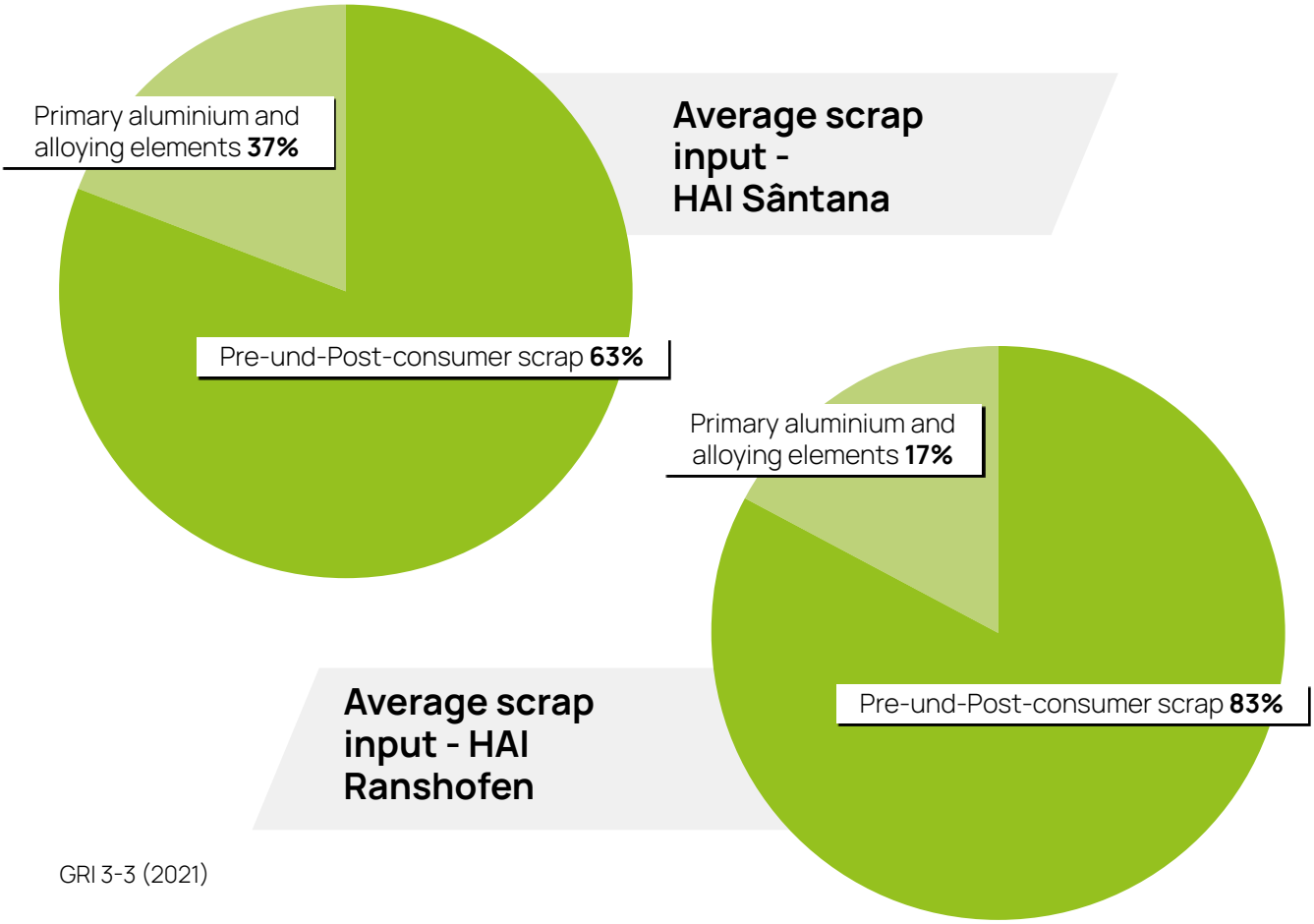
- **83 831** tonnes of scrap
- **16 651** tonnes of primary metal
- **1 208** tonnes of alloying elements

During the 2022 reporting year, around 166,470 tonnes of metal were processed by our in-house production division at HAI Casting & Rotation Plant in Sântana.

- **104 468** tonnes of scrap
- **29 523** tonnes of primary metal
- **1 928** tonnes of alloying elements
- **15 246** tonnes of sows
- **15 305** tonnes of dross

GRI 3-3 (2021)

Recycling input rate at HAI Casting



GRI 3-3 (2021)

Materials used in extrusion

- During the 2022 reporting year, around 46,836 tonnes of metal were processed by our in-house production division at HAI Extrusion in Ranshofen.
- During the 2022 reporting year, around 30,722 tonnes of metal were processed by our in-house production division at HAI Extrusion in Cris.
- During the 2022 reporting year, around 37,310 tonnes of metal were processed by our in-house production division at HAI Extrusion in Soest.

According to information from our extrusion alloy suppliers, it is clear that the overall recycling input rate at our extrusion sites is around 50% when evaluating the recycling rate per supplier and the quantities of material (weighted average) purchased. Figures range from zero to around 80% depending on the supplier.

GRI 3-3 (2021)

STRATEGIC METAL PROCUREMENT

Strategic metal procurement for the entire Group is conducted centrally from our head office in Ranshofen. Our foundry produces aluminium alloys to meet our customers' diverse requirements. We procure raw metal supplies from around 110 suppliers. We are constantly developing our range of materials so we can continue to offer our customers the highest quality products and solutions in the future.

Recycling and use of scrap

When producing aluminium alloys, HAI Casting Ranshofen and Sântana use the highest possible recycling input rate, and strive to reduce their use of primary aluminium to the minimum. We source primary aluminium according to the „best-in-class" principle in terms of its carbon footprint and quality.

Aluminium boasts excellent recycling properties and can be melted down and reprocessed with no loss in quality. Using secondary aluminium produced by the recycling process only requires five percent of the energy needed to produce primary aluminium. The recycling process HAI uses is therefore financially attractive and positively affects the company's energy and CO_2 statistics.

At least 80 per cent of the aluminium used in our foundry in Ranshofen is scrap. The amount of scrap used in our foundry in Sântana is almost 80%. This includes scrap generated by the foundry and the extrusion plant in Ranshofen, scrap from processing and trade, and scrap from customers. To process the scrap, we use a shredder and then separate the aluminium from any foreign materials. We also use a scrap shear.

The dross made by smelting is still around 64 per cent aluminium. This is separated from any non-metal content at our plant in Romania or at an external re-smelting plant, then fed back into production, usually in molten form. Our current dross input rate in our foundry in Sântana was almost 9% in the 2022 reporting year.

GRI 3-3 (2021)

ENERGY

Sustainable energy management

HAI firmly believes that one of the highest priorities for any company in the aluminium industry is to manage its high energy requirements sustainably. The HAI Group consistently applies a green electricity strategy. Switching to green electricity has allowed us to significantly improve our overall carbon footprint. Since January 2021, both of our sites in Romania have also been powered by electricity from renewable energy sources. This means that most of the group of undertakings has made the energy transition.

Our photovoltaic installation at our Ranshofen production site also provide 3.6% of our total energy consumption. Due to increased power consumption, the amount of energy produced by solar panels decreased by about 4% (in kWh) compared to the previous year. We are also working hard to expand the photovoltaic installations at our sites in Romania and Germany, which are scheduled to go into operation in 2023.

Processes and procedures at Hammerer Aluminium Industries are subject to continuous efficiency improvements in our use of resources and innovative improvements in climate protection and environmental sustainability.

E-mobility is also playing an increasingly important role at HAI, as shown by the growing number of electric vehicles in our fleet and the steady increase in e-charging stations for visitors and employees.

These activities are all part of a large-scale initiative within the Group to address sustainability issues throughout the aluminium value chain.

GRI 3-3 (2021)

Energy (in kWh)

Ranshofen, AT - EXT	2021	2022	Jährliche Änderung
Gas consumption EXT (kWh)	18.174.129,00	15.413.450,00	-15,2%
Gas consumption data (kWh/to) EXT	534,33	543,19	1,7%
Electricity consumption EXT (kWh)	26.390.933	26.589.080,00	0,8%
Electricity consumption data (kWh/to) EXT	775,91	937,03	20,8%
Electricity and gas consumption data (kWh/to)	1.310,24	1.480,21	13,0%
N.B.: Overall, less energy consumption for extrusion. Power consumption can increase depending on the product mix (e.g. processing-intensive products.)			
Ranshofen, AT - CAST			
Gas consumption CAST (kWh)	79.184.908,20	79.774.655,20	0,7%
Gas consumption data (kWh/to) CAST	941,48	953,79	1,3%
Electricity consumption CAST (kWh)	11.951.138,00	12.755.384,00	6,7%
Electricity consumption data (kWh/to) CAST	142,09	152,50	7,3%
Electricity and gas consumption data (kWh/to)	1.083,57	1106,29	2,1%
Sântana, RO			
Gas consumption CAST (kWh)	115.670.000,00	141.943.000	22,71%
Gas consumption data (kWh/to) CAST	978,64	1.018,34	4,06%
Electricity consumption CAST (kWh)	22.482.494,85	25.271.885,51	12,41%
Electricity consumption data (kWh/to) CAST	190,21	181,31	-4,68%
Electricity and gas consumption data (kWh/to)	1.168,85	1.199,65	2,64%
Soest, DE			
Gas consumption EXT (kWh)	16.758.077,00	14.937.261,00	-10,9%
Gas consumption data (kWh/to) EXT	734,23	640,919	-12,7%
Electricity consumption EXT (kWh)	15.035.343,00	16.454.259,00	9,4%
Electricity consumption data (kWh/to) EXT	658,751	706,010	7,2%
Electricity and gas consumption data (kWh/to)	1392,98	1346,93	-3,3%
Cris, RO			
Gas consumption EXT (kWh)	15.319.270,00	15.229.434,00	-0,6%
Gas consumption data (kWh/to) EXT	748,12	663,02	-11,4%
Electricity consumption EXT (kWh)	11.593.072,00	12.970.750,00	9,5%
Electricity consumption data (kWh/to) EXT	566,15	564,69	-0,3%
Electricity and gas consumption data (kWh/to)	1.314,27	1227,71	-6,6%
N.B.: Increased energy consumption in 2021 due to the introduction of a new production line.			

GRI 3-3 (2021)

EMISSIONS

Reducing greenhouse gas emissions is a key objective for the HAI Group. We have sought a variety of ways to minimise our emissions. In 2019 we added a 6,300 m² photovoltaic installation on the rooves of the buildings at the Ranshofen site to generate solar power. We rebuilt the system in Ranshofen in 2021 – and added another 3,000 m².

We are already preparing more new projects at other company locations. This saves the Ranshofen site around 300 tonnes of CO_2.

GREENHOUSE GAS EMISSIONS (in tonnes of CO_2)

Ranshofen, AT - EXT	2021	2022	Jährliche Änderung
Greenhouse gas emissions, Scope 1	4.199,66	3.585,61	-14,6%
Greenhouse gas emissions, Scope 2	0	0	0
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 1	123,47	126,36	2,34%
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 2	0	0	0
Ranshofen, AT - CAST			
Greenhouse gas emissions, Scope 1	17.834,44	18.017,76	1,0%
Greenhouse gas emissions, Scope 2	0	0	0
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 1	212,04	215,42	1,6%
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 2	0	0	0
N.B.: Correction of specific greenhouse gas emissions for 2021 & 2022			
Sântana, RO			
Greenhouse gas emissions, Scope 1	21.578,59	26.539,95	23,0%
Greenhouse gas emissions, Scope 2	0	0	0
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 1	182,57	190,41	4,3%
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 2	0	0	0
Soest, DE			
Greenhouse gas emissions, Scope 1	3.800,16	3.416,04	-10,1%
Greenhouse gas emissions, Scope 2	0	0	0
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 1	166,50	146,57	-12,0%
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 2	0	0	0
Cris, RO			
Greenhouse gas emissions, Scope 1	2,933.00	2.870,00	-2,2%
Greenhouse gas emissions, Scope 2	0	0	0
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 1	137.67	125,56	-8,80
Greenhouse gas emissions, CO_{2e} [kg]/1 to Al, Scope 2	0	0	0
N.B.: 2021 values adjusted due to calculation errors			

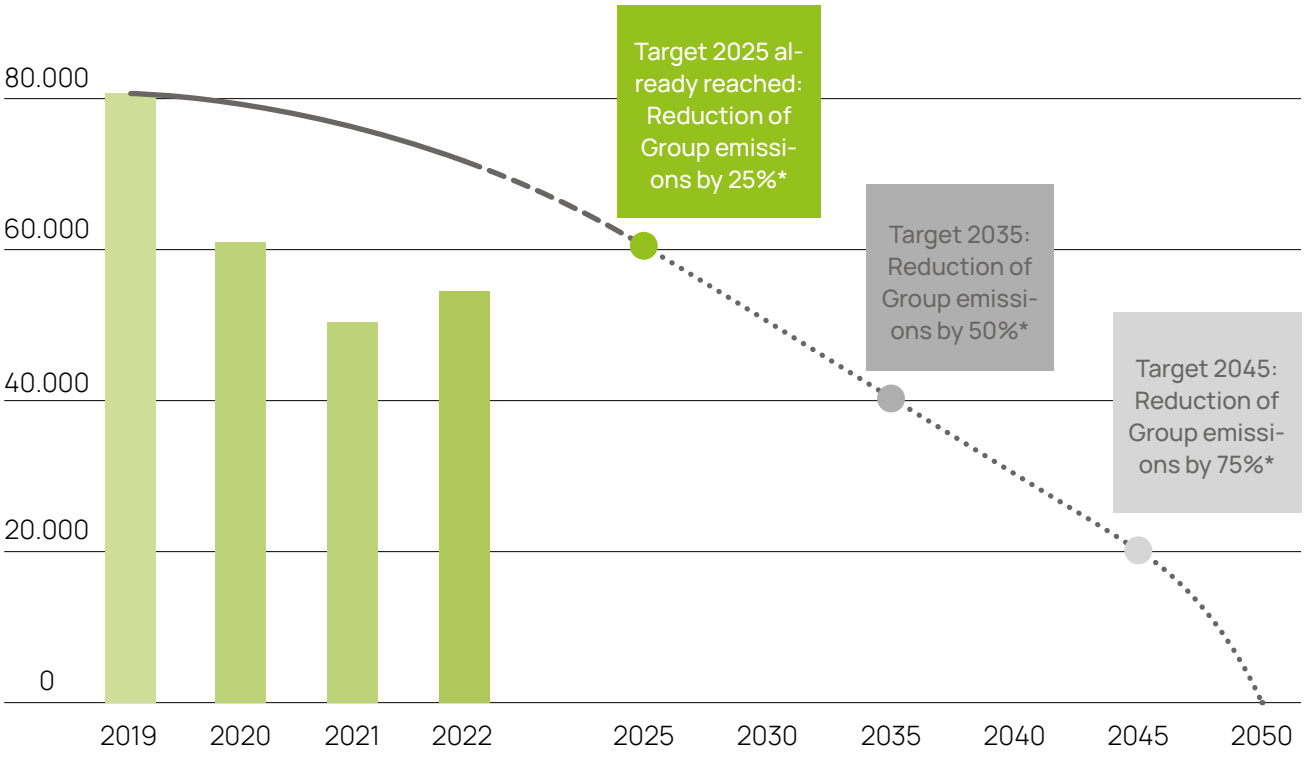
The table above shows the Scope 2 emissions according to the market-based method of the Greenhouse Gas Protocol. This means that the emission values reflect the mix of electricity sources chosen by the company. As all of our sites have been supplied with 100% green electricity since 2021, the Scope 2 emissions amount to 0 kg.

GRI 3-3 (2021)

THE ROUTE TO DECARBONISATION

At the HAI Group, we understand our responsibility to meet European climate targets and thereby the need to reduce our greenhouse gas emissions. That led us to make a conscious decision in 2019: to take measures to reduce greenhouse gases, and by 2021 to meet our target of saving 25% of Group emissions by 2025, and even to significantly undercut it.

Decarbonization path CO_2 Emissions HAI Gruppe



*Compared to 2019 baseline of approximately 80,000 tonnes of CO_2 equivalents across the HAI Group.

To increase operational decarbonisation across all of our sites, Company Management specified the following objectives and action plans, which we continuously assess and optimise:

Objective	Measures	Deadline	Status
Reduce CO_2 emissions by 25% c.f. the 2019 baseline	• Document specific emissions data as part of the environmental management system • Optimise processes to reduce energy consumption and emissions • Implement energy efficient technologies • Switch to 100% green electricity in Ranshofen, Soest, Cris and Sântana	2025	erreicht
SustainAl 4.0 until 2025 to supply all customers and their needs (approx. 60% of total volume)	• Push through SustainAL 4.0 production • Work closely with customers to identify their needs • Work more closely with suppliers of low-CO_2 input material (primary + billets) • Update the production process to meet requirements	2025	Ongoing
SustainAl 4.0 until 2026 to supply all customers and their needs (approx. 80% of total volume)	• Increase production capacity for SustainAl 4.0 • Better sourcing of low-CO_2 input material (primary + billets) • Increase scrap input • Work more closely with customers and update production plan	Ab 2026	In planning
All HAl products have a carbon footprint of max. 4 kg CO_{2e}/kg Al	• Continuously optimise production processes to reduce carbon footprint • Assess and implement new technologies and materials • Work with suppliers to procure more sustainable input materials	2030	Ongoing
SustainAl 2.0 until 2030 to supply all customers and their needs (approx. 60% of total volume)	• Increase proportion of low-CO_2 primary aluminium in purchasing • Secure large-scale scrap supplies • Update the production process to meet requirements	2030	In planning
Reduce CO_2 emissions by 50% c.f. the 2019 baseline	• Increase the proportion of recycled aluminium • Transition to lower-emission fuels in casting • Assess and, if necessary, introduce more energy-efficient systems and machinery • Optimise energy consumption by upgrading energy performance in production facilities	2035	Ongoing
All HAl products have a carbon footprint of max. 2 kg CO_{2e}/kg Al	• Increase recycling rate in billet production (> 80%) and use low-CO_2 primary aluminium) • Assess new materials and technologies to reduce CO_2 even more	2035	In planning
All HAl products have a carbon footprint of max. 1 kg CO_{2e}/kg Al	• Continually improve processes to reduce CO_2 • Assess and implement innovative technologies to reduce CO_2	2040	In planning

Objective	Measures	Deadline	Status
Reduce CO_2 emissions by 75% c.f. the 2019 baseline	• Increase the proportion of recycled aluminium even more • Use mainly emission-free or low-emission fuels in casting (assumption: advances in technology) • Assess and, if necessary, introduce more energy-efficient systems and machinery • Optimise energy consumption by upgrading energy performance in production facilities	2045	In planning
Net zero greenhouse gas emissions	• Continually reduce emissions in all areas of the company • Transition to 100% renewable energies (assumption: advances in technology) • Introduce CO_2 compensation measures for unavoidable emissions • Promote sustainability throughout the value chain • Build and promote partnerships with suppliers, customers and other stakeholders to jointly reduce emissions	2050	In planning

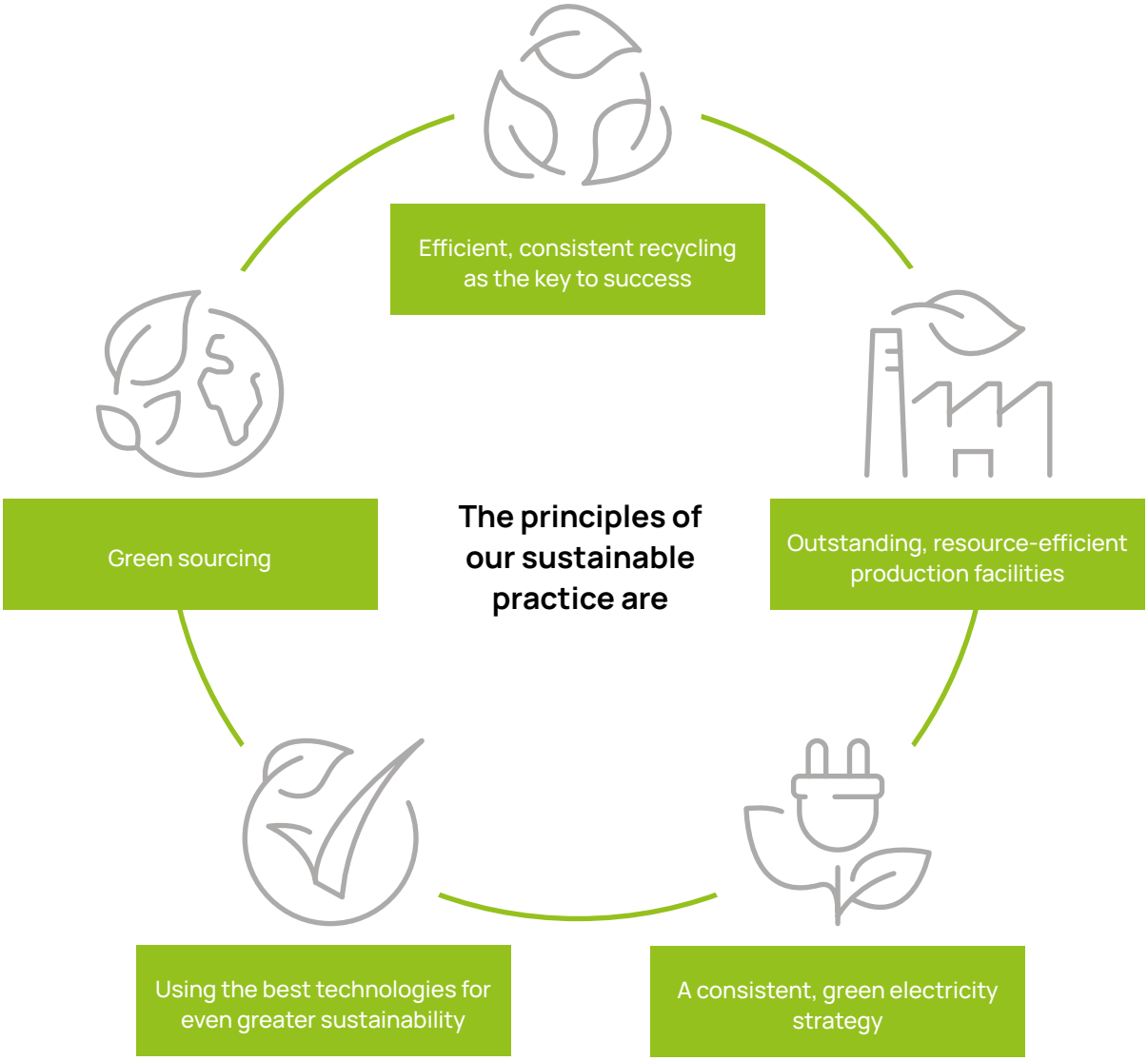
To promote decarbonisation throughout the aluminium industry, reduce the carbon footprint of processes and products and remain competitive as an industry against competing materials, some of the measures HAI Group is implementing must be applied throughout the aluminium industry. These include:

- Developing innovative technologies in primary aluminium production (e.g. virtual batteries, inert anodes)
- Consistently designing for recycling with customers (avoiding complex composite materials, easy to dismantle, etc.)
- Reducing the number of alloy varieties by simultaneously adapting tolerances for using certain alloys
- Developing new potential uses for aluminium for recycling that is unsorted
- Developing sorting technologies
- Closing material and other product loops with post-consumer materials
- Establishing transparent material flows, ensuring standard data about CO_2 footprint
- to avoid inconsistencies.

Smart political support is essential for these measures to succeed in achieving a CO_2-neutral aluminium industry. At the HAI Group, we welcome measures such as:

- Massively expanding the production of low-CO_2 energy through safe, demand-based electricity and gas supplies at an internationally competitive price. (e.g. through a harmonised European industrial electricity tariff)
- Exempting the recycling industry from carbon duties
- Promoting products with a high recycling rate and a high proportion of recycled content
- Promoting R&D programmes to reduce the carbon footprint of the aluminium industry, e.g.
- By developing new technologies for producing primary aluminium
- By developing new smelting technologies to increase the recycling rate
- Optimising sorting technologies for alloy recycling
- Creating more effective collection and sorting infrastructure to collect more used aluminium and separate it from other materials more effectively.
- Supporting and promoting innovative collection and return programmes (e.g. deposit, rental, premiums)

At the HAI Group, we believe that we can only meet decarbonisation targets by 2050 if industry and politicians work together.



PROGRESS TOWARDS OUR OBJECTIVES:

The HAI Group is extending its green electricity strategy at Group level. Since 2021, our Romanian sites have also been powered by renewable energy. This decision, along with the planned photovoltaic installation in Soest, have reduced the HAI Group's greenhouse gas emissions even further and reflect our strong commitment to more sustainable aluminium manufacturing.

WATER

Water recirculation

Water is a scarce resource, so using it responsibly is a core part of doing business sustainably, even at our sites in water-rich countries such as Austria and Romania. At our foundries in Austria and Romania, HAI uses a re-cooling station to return around 80% of the cooling water for the foundry into circulation, which massively reduces the unnecessary consumption of fresh drinking water during production.

Water consumption

WATER

Ranshofen, AT - EXT	2022
Industrial water consumption [m³]	350.715,00
Drinking water consumption [m³]	4.358
Ranshofen, AT - CAST	
Industrial water consumption [m³]	213.060,00
Drinking water consumption [m³]	2.224,00
N.B.: HAI does not directly produce any water emissions; indirect discharge is in accordance with the Indirect Discharge Ordinance.	
Sântana, RO	
Industrial water consumption [m³]	278.275,00
Drinking water consumption [m³]	41,00
Waste water, total [m³]	2.028,00
Treated water [m³]	2.028,00
Soest, DE	
Industrial water consumption [m³]	8.630,00
Drinking water consumption [m³]	5.632,00
Drinking water consumption [m³] excluding specific effects	2148,00
Cris, RO	
Drinking water consumption [m³]	12.292,00
Water supply, from springs [m³]	0,033
Waste water disposal to municipality [m³]	12.292,00

GRI 3-3 (2021)

EMISSION OF HAZARDOUS SUBSTANCES

We aim to avoid emitting or releasing hazardous substances at all, thereby eradicating any risk to people and the environment. In the event of emitting any hazardous substances, we would inform the competent authorities immediately upon detection, and take appropriate measures.

- There were no significant releases of substances in the 2022 reporting year.
- There were no spillages or leaks in the 2022 reporting year.

GRI 3-3 (2021)

COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

In the 2022 reporting year, no fines or non-monetary sanctions were imposed for failing to comply with environmental laws or regulations.

GRI 2-27 (2021)

WASTE

The HAI Group's waste disposal strategy follows the five-step waste hierarchy: preventing and reducing waste, preparing waste for reuse, recycling, other recycling or recovery, and finally waste disposal. All special waste such as used oil, filter dust or alkaline solutions are, of course, treated with special care.

WASTE

Ranshofen, AT - EXT	2022
Total waste (kg)	1.288.683,00
Non-hazardous waste (kg)	409.073,00
of which sent for recycling (kg)	407.573,00
of which sent for disposal (kg)	1.500,00
Hazardous waste (kg)	879.610,00
of which sent for recycling (kg)	49.240,00
of which sent for disposal (kg)	830.370,00
Ranshofen, AT - CAST	
Total waste (kg)	1.875.102,00
Non-hazardous waste (kg)	1.657.602,00
of which sent for recycling (kg)	488.002,00
of which sent for disposal (kg)	1.169.600,00
Hazardous waste (kg)	217.500,00
of which sent for recycling (kg)	6.420,00
of which sent for disposal (kg)	211.080,00
Sântana, RO	
Total waste (kg)	12.765.410,00
Non-hazardous waste (kg)	763.660,00
of which sent for recycling (kg)	160.280,00
of which sent for disposal (kg)	603.380,00
Hazardous waste (kg)	12.001.750,00
of which sent for recycling (kg)	11597750,00
of which sent for disposal (kg)	404.000,00
Soest, DE	
Total waste (kg)	1.353.520,00
Non-hazardous waste (kg)	298.440,00
of which sent for recycling (kg)	298.440,00
of which sent for disposal (kg)	-
Hazardous waste (kg)	1.055.080,00
of which sent for recycling (kg)	1.055.080,00
of which sent for disposal (kg)	-
Cris, RO	
Total waste (kg)	8.714.940,00
Non-hazardous waste (kg)	8.217.709,00
of which sent for recycling (kg)	8.178.474,00
of which sent for disposal (kg)	39.235,00
Hazardous waste (kg)	497.231,00
of which sent for recycling (kg)	-
of which sent for disposal (kg)	497.231,00

GRI 3-3 (2021)

BIODIVERSITY

WHAT IS BIODIVERSITY?

"Biodiversity is the variety and variability of life on our planet. In other words, it refers to differences within and between all living organisms at different levels of biological taxonomic structure - genus, individuals, species and ecosystems. Adaptation can occur as a result of the numerous interactions among and between these organisms and the biotic environment.

Industry's biggest impact on biodiversity will come from climate change - the most significant long-term threat to biodiversity." - Denkstatt

ASSESSING BIODIVERSITY

In order to understand the importance of biodiversity, the HAI Group had Denkstatt Romania carry out biodiversity assessments at its production sites in Ranshofen, Austria, and Sântana and Cris in Romania. These assessments included a comprehensive analysis of the technical theoretical documentation, field work, site visits and a biodiversity impact assessment. We were delighted by the results of these assessments as no immediate corrective action was required. Nevertheless, we drafted a plan of action to ensure that we protect and promote biodiversity in the long term.

The action plan to increase biodiversity at our sites in Romania includes the following measures:

- Regular tree planting campaigns with local authorities and schools; we also gave 1 fruit tree to each employee. In 2022 we gifted 280 trees to employees
- Giving talks about collecting sorted waste; dedicated internal training and toolboxes; activities with primary schools about sorting waste
- Site visits, to teach students and pupils about recycling processes
- Sponsoring green projects being developed in cooperation with local authorities

Conducting biodiversity assessments and developing action plans shows how committed the HAI Group is to protecting the environment and conserving biodiversity. Using the full range of professional expertise to assess the impact on biodiversity means that, as a Group, we can ensure that our operations line up with our environmental objectives. The plan of action will guide us in taking measures to promote biodiversity and minimising possible negative impacts. Continuous monitoring and regular updates to the plan by Company Management will allow us to reinforce our long-term commitment to protecting and conserving biodiversity at our sites. These efforts help to protect the natural environment and strengthen our Group's position in terms of sustainability and responsible business practices.

SUPPORTING LOCAL BIODIVERSITY AT OUR SITES

The HAI Group supported biodiversity for the fourth consecutive year by planting a wildflower meadow for insects and bees on the HAI roundabout beside company headquarters in Ranshofen, Austria. Other measures include installing nesting boxes for birds, semi-natural green space designs and restoring habitats. We have also expanded the green spaces at our sites in Sântana and Cris in Romania by planting trees and ornamental plants, which also increases habitats for plants and animals.

GRI 304-2 (2016)

Teil 4

OUR STAFF

Expect more: HAI Life@work

OUR APPROACH:

"Motivated, well-trained employees are a major factor in sustainable corporate success. Supporting employees in a targeted manner increases their motivation and strengthens their commitment. It also ensures good prospects for our employees' future, so they can remain competitive in their professional lives. Workers' skills and expertise are becoming increasingly important in the age of the digital revolution. Learning quickly and sharing knowledge sustainably deliver tremendous competitive advantages from personal and corporate perspectives." GRI 3-3 (2021)

HAI-FAMILY INTERNATIONAL

Openness and internationality characterize our way of working and thinking. At HAI, this is not only due to our international customers, but above all to our international, colorful HAI family. Currently our team consists of 41 nationalities. This diversity is a source of inspiration and dynamism in our company!

PRINCIPLES

Our Human Resources strategy is geared towards meeting our future personnel needs in terms of the quality and numbers of staff. It is intended to meet the corporate objectives adopted by Company Management. To this end, we have put policies and instruments in place for Human Resources. These cover the entire employee life cycle – from employer branding, recruitment, onboarding, training and personnel development to succession planning.

HR managers report to HAI Group Management. The works council at each site is responsible for representing issues concerning employees. The works council has two representatives on the Supervisory Board of the HAI Group.

HAI consistently complies with the minimum notification periods for operational changes, the laws and regulations that apply in the respective country, the provisions agreed in collective agreements and the resulting collective bargaining agreements.

There were no significant changes during the reporting period that would have significantly impacted employees, and therefore required reporting.

GRI 3-3 (2021), GRI 404-3, 402-1 (2016)

We are using our existing Human Resources strategy to increase our competitive edge. The three main strands of the strategy are:

- Talent management: identifying and developing internal talent to meet the company's long-term needs.
- Recruitment (finding and retaining the right staff): using innovative recruitment channels to increase our attractiveness as an employer, and using onboarding to integrate new staff.
- Digitalisation of HR processes: increasing the level of service and efficiency in HR by optimising existing HR processes.

GRI 404-2 (2016)

At HAI we have committed to three corporate values which are the foundation of our cooperative approach: drive, trust and opportunity. We promote a culture of leadership and cooperation in line with these values, our HAI Code of Conduct and other applicable agreements.

We have updated our existing leadership training programme, the HAI Academy, to meet the new requirements. All of our managers are trained at the HAI Academy in accordance with our leadership and cooperation culture, which we defined and documented during the reporting period.

Numerous measures have helped to show how HAI is an attractive employer in each region. We regularly expand our wide range of social benefits and review these every year. For example, we have set up summer-holiday childcare in Ranshofen, and continue to support regional organisations. We are also strengthening our educational partnership with the Technical College (Höhere Technische Lehranstalt) in Braunau through sponsoring and mentoring. In Soest, our apprentices take part in an annual Social Day event, when they volunteer to help out at various institutions. In Romania, we have been supporting an orphanage in the region for years and now also offer the young people the opportunity of an education. There are also regular activities to support the community.

In 2022, HAI was named a Top Employer for its integral personnel management.

GRI 3-3 (2021)

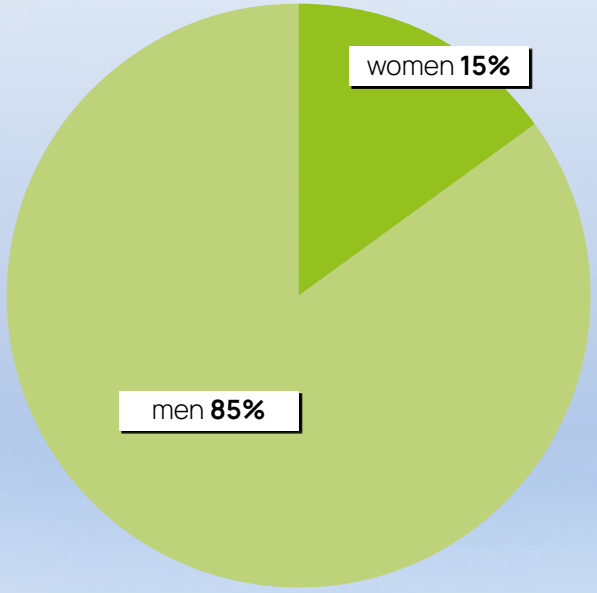
HAI Ranshofen

In the 2022 financial year, HAI employed an average of 687 people at the Ranshofen site (2021: 648). At the end of the year, there were 716 staff (number of staff on the reporting date 31 December; 2021: 654). Compared to the previous year, the annual average number of staff increased. All staff had permanent employment contracts on the reporting date. Almost 100% of staff are covered by a wage agreement (only the two Managing Directors are excluded from this). HAI Ranshofen is bound by the wage agreements for „employees in the metal industry" and for „Austrian employees in the mining industry". Critical staff turnover increased slightly in Austria during the 2022 reporting year, at 7.6% in Ranshofen (31 December 2021: 6.5%). (Number of staff on the reporting date 31 December 2022)

top EMPLOYER ÖSTERREICH AUSTRIA 2022
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

berufundfamilie

BEST RECRUITERS 21|22 aut



HAI RANSHOFEN

Total number of employees in Ranshofen (reporting date 31 Dec./capita)	2021	2022
Total	689	716
Of which female	102	126
Of which white-collar workers	72	86
Of which blue-collar workers	30	25
Of which male	580	584
Of which white-collar workers	164	178
Of which blue-collar workers	416	385
Other	7	6
New joiners Ranshofen (reporting date 31 December/capita)	**2021**	**2022**
Total	105	106
Of which female	29	31
Of which male	76	75
Of which other	7	0
Leavers Ranshofen (reporting date 31 December/capita)	**2021**	**2022**
Total	77	76
Of which female	11	13
Of which male	68	62
Of which other		1

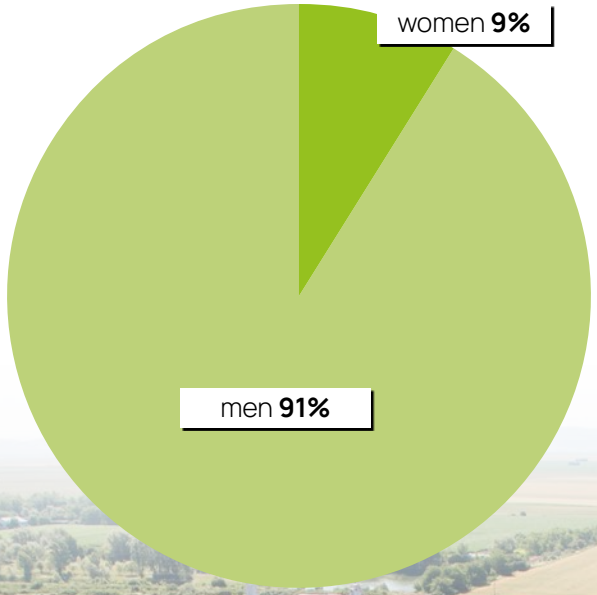
GRI 401-1 (2016)

HAI Santana

HAI Sântana employed 148 staff on average (2021: 136). At the end of the 2022 reporting year, the number of staff was 150 (number of staff on the reporting date 31 December 2021: 143). At our HAI site in Sântana, staff are covered by a wage agreement at divisional level with Hammerer Aluminium Industries Sântana S.R.L. (only the Managing Directors are excluded from this).

At our site in Sântana, Romania, staff turnover figures show a decrease and the turnover rate in the 2022 reporting year was 8.29% (2021: 9.6%).

All of these figures include all leavers (excluding jobs where the contract expired or during a trial period.)



HAI Santana

Total number of staff in Sântana (reporting date 31 December/capita)	2021	2022
Total	142	150
Of which female	13	14
Of which white-collar workers	12	13
Of which blue-collar workers	1	1
Of which male	129	136
Of which white-collar workers	8	8
Of which blue-collar workers	121	128
New joiners Sântana (reporting date 31 December/capita)	**2021**	**2022**
Total	47	22
Of which female	5	1
Of which male	42	21
Leavers Sântana (reporting date 31 December/capita)	**2021**	**2022**
Total	24	22
Of which female	4	1
Of which male	20	21

GRI 401-1 (2016)

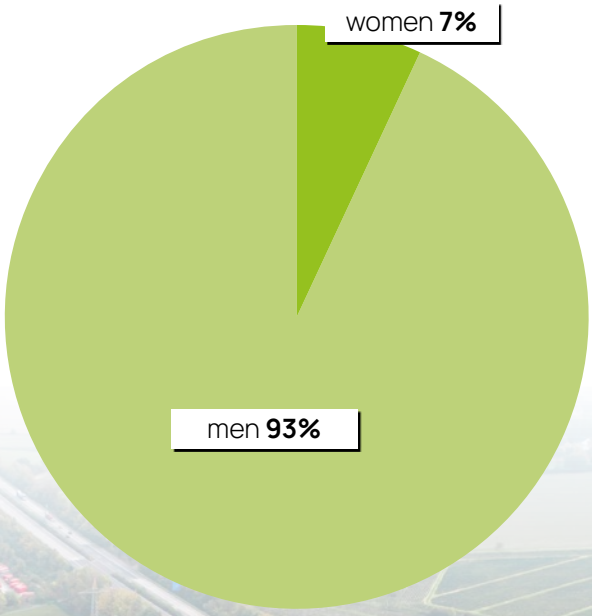
HAI Soest

At our production site in Soest, Germany, HAI employed an average of 389.7 staff during the 2022 reporting year (2021: 352.16). At the end of the reporting year (31 December 2022), there were 423 staff (2021: 364).

Almost all HAI staff in Soest are covered by the general wage agreement for the North Rhine-Westphalia Metal and Electrical Industry (only the Managing Directors and exempt staff are excluded from this).

At our German site in Soest, staff turnover increased slightly as a result of retirements, and the turnover rate was 7.13% (2021: 5.19%).

All of these figures include all leavers (excluding jobs where the contract expired or during a trial period).



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HAI Soest

Total number of staff in Soest (reporting date 31 December/capita)	2021	2022
Total	371	425
Of which female	26	27
Of which white-collar workers	24	24
Of which blue-collar workers	2	2
Of which male	345	398
Of which white-collar workers	80	79
Of which blue-collar workers	265	319
New joiners Soest (reporting date 31 December/capita)	**2021**	**2022**
Total	32	81
Of which female	2	3
Of which male	30	78
Leavers Soest (reporting date 31 December/capita)	**2021**	**2022**
Total	18	27
Of which female	1	3
Of which male	17	24

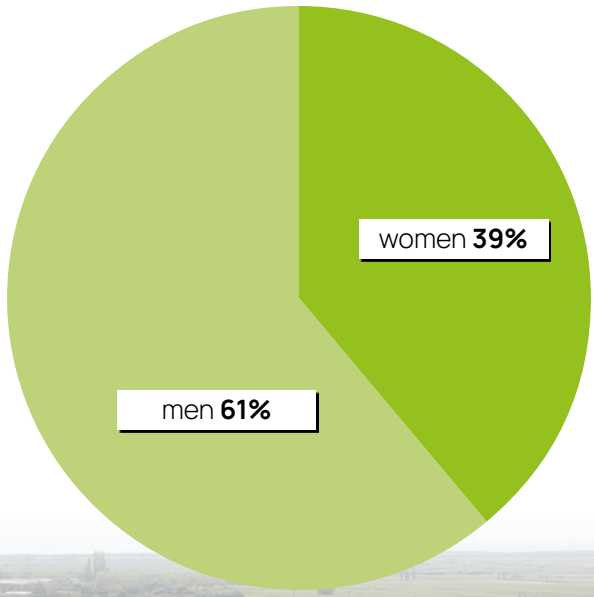
GRI 401-1 (2016)

HAI Cris

HAI Cris had 365 staff on average. At the end of the reporting year, the number of staff was 354 (2021: 361).

At our HAI site in Cris, staff are covered by a wage agreement at divisional level with Hammerer Aluminium Industries Cris S.R.L. (only the Managing Directors are excluded from this). In Cris, critical staff turnover was 9.04% (on the reporting date 31 December 2021: 8.52%).

All of these figures include all leavers (excluding jobs where the contract expired or during a trial period).



Total number of employees in Cris 2021

Total number of employees in Cris 2022

HAI Cris

Total number of staff in Cris (reporting date 31 December/capita)	2021	2022
Total	360	348
Of which female	142	146
Of which white-collar workers	34	35
Of which blue-collar workers	108	111
Of which male	218	202
Of which white-collar workers	42	42
Of which blue-collar workers	176	160
New joiners Cris (reporting date 31 December/capita)	**2021**	**2022**
Total	185	84
Of which female	85	30
Of which male	100	54
Leavers Cris (reporting date 31 December/capita)	**2021**	**2022**
Total	59	29
Of which female	23	8
Of which male	36	21

GRI 401-1 (2016)

INNOVATIVE RECRUITMENT

Vacancies at HAI are filled in accordance with long-term strategic planning. Since 2016, we have been using the „Softgarden“ application portal for the application process because the number of applications has increased significantly due to the innovative expansion of personnel marketing and new recruitment channels. All applications are registered centrally and managed via the application portal. Internal and external candidates can also see the current status of their application at any time.

For transparency in our recruitment process, we were awarded the „Best Recruiters“ Award again in 2022, receiving the gold award for the first time.

Our managers regularly give lectures and talks at various universities in Austria and Germany. Through these lectures, and by supporting university students, we identify and attract potential key personnel to the company at an early stage.

HAI features on well-known job portals and social media platforms. This helps to strengthen our brand as an employer. Regular analysis of the indicators and ratings on these platforms shows clearly positive results.

ATTRACTIVE SALARIES

Our remuneration system combines a competitive basic salary with extensive additional benefits. Our basic salaries are based on the relevant collective bargaining or wage agreements. We offer our staff attractive bonuses, in accordance with valid collective bargaining agreements.

The bonus system for managers provides for performance-based remuneration based on corporate financial targets and individual performance. We attach great importance to individually remunerating men and women equally. We ensure compliance with existing HR processes and check compliance with these in annual audits.

Staff also benefit from HAI's corporate success through profit sharing. Staff at the HAI site in Ranshofen also receive a dividend from a private foundation for staff.
In addition to extra financial bonuses, HAI offers numerous additional benefits, including discounts at local businesses, free swimming pool entry and sports programmes. In Romania, we specifically support staff by providing supplementary health insurance.

Our staff can find out about benefits on our intranet or on the company's in-house communication platform, the HAI-Connect app.

(GRI 3-3)

MANAGEMENT BY OBJECTIVES

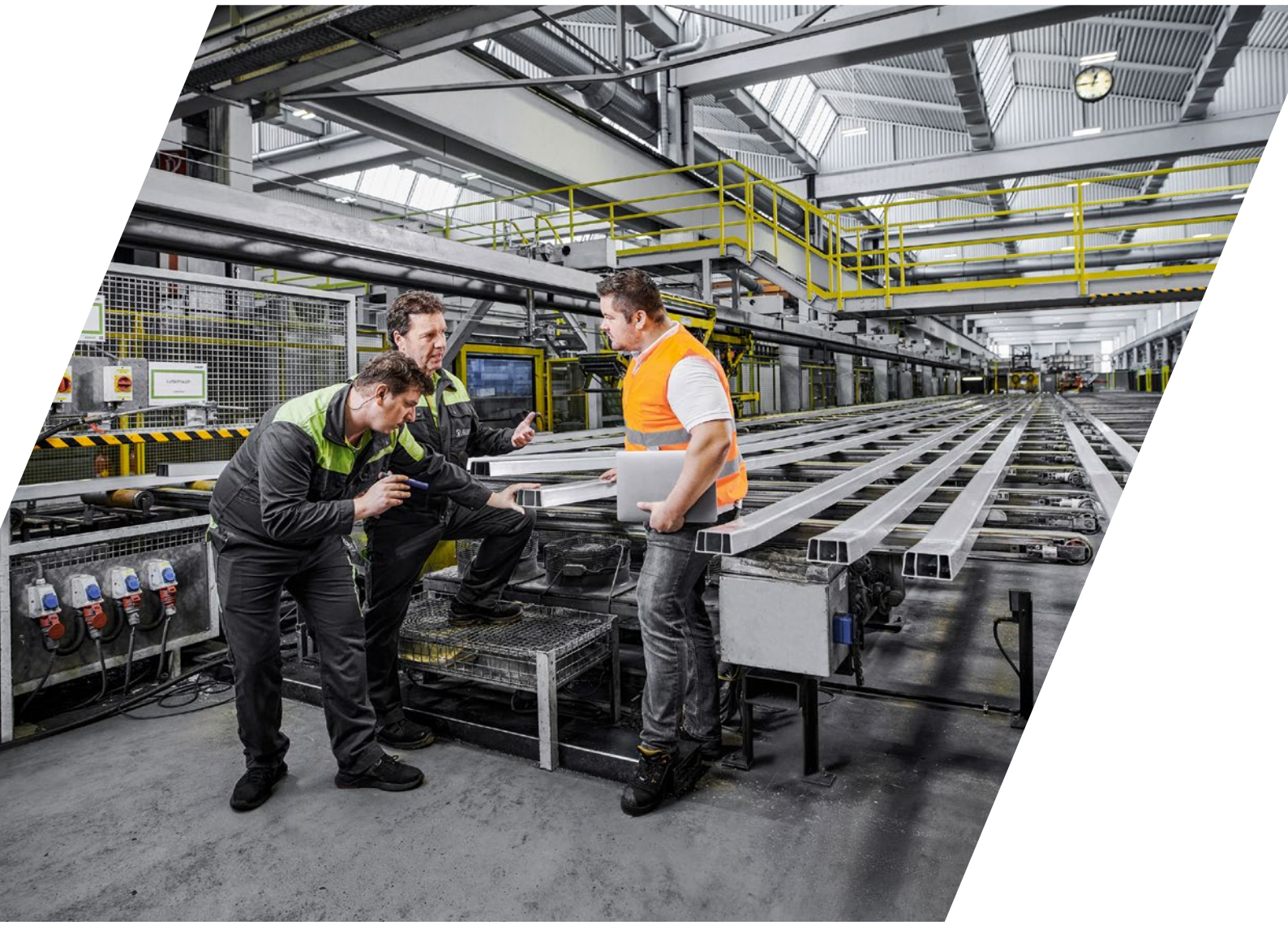
Personal development is based on constructive feedback. Our annual appraisal interviews are an important, well-established tool for both staff and company development. Active dialogue between managers and staff allow them to reflect on the past year and share feedback from both sides. They also identify any training needs, and agree on appropriate training and development steps.

Staff participation in annual appraisals is mandatory and the participation rate is 100%. Only staff who have good reason to be absent (e.g. they are on military/civilian service, maternity leave or parental leave) are exempt from this obligation. For new staff, the meeting is held during their induction within 6 weeks of starting.

Development and promotion

We can only remain competitive and innovative if we succeed in attracting highly qualified employees to the company and retaining them.

To achieve this objective, we have tailor-made programmes and support measures at every key stage of the individual's education and career path.



VOCATIONAL TRAINING

At our locations in Ranshofen and Soest, we train apprentices in a range of apprenticeships. On 31 December 2022 there were 24 HAI apprentices in training at our Ranshofen site: 23 were doing technical apprenticeships, and 1 was doing a commercial apprenticeship. At our Soest site, we had 28 HAI apprentices in training at the end of the reporting period: 17 were doing technical apprenticeships, and 5 were doing commercial apprenticeships. The Braunau Training Centre (ABZ) is our partner for technical vocational training at our Ranshofen site. In Soest, technical training takes place directly on site.

In addition to theoretical and practical training, we place great emphasis on promoting social awareness, in accordance with our values. We therefore offer our trainees a range of seminars in cooperation with different educational providers. In Austria, we also offer apprentices the opportunity to do an apprenticeship with a university entrance qualification (the Matura). They also have the option of completing a work-study programme.

Education and training

Im Berichtsjahr 2022 gab es einen Anstieg der Weiterbildungsmaßnahmen an allen Standorten. Dies lässt sich auf die Tatsache zurückführen, dass im Vorjahr viele Maßnahmen auf Grund von Covid nicht durchgeführt werden konnten. Für viele Maßnahmen wurden intern digitale Lernkonzepte erstellt, so dass aktuell ein hybrider Ansatz verfolgt wird. (GRI 404-1)

DIVERSITY MANAGEMENT

Fairness and respect are essential components of our corporate culture. This includes complying with the standards defined in the HAI Code of Conduct. We oppose any kind of discrimination, specifically on the basis of age, gender, skin colour, sexual orientation, origin, religion or disability. All staff receive training on the policy and on how to comply with this particular policy via e-learning.

We have based our policy on the UN Charter and the European Convention on Human Rights. If any employee suspects unequal treatment, they can report it the Compliance Officer. No cases of discrimination were reported during the reporting year.

For more details on the composition of our staff, please see „Overall staff structure“, from page 59 onwards.
(GRI 405-1, 406-1)

Gender

On 31 December 2022 the proportion of women across all sites was as follows: 17.5% in Ranshofen, 6.3% in Soest, 9.33% in Sântana and 41% in Cris. Our objective is to increase this ratio in the long term. This is why the we have included the corresponding key figures in the HR Department's report.

We recognise our responsibility to help reconcile work and family, and offer our staff a range of part-time options and flexible working hours. We also offer attractive working arrangements to staff after maternity leave, and part-time parental leave. Our commitment to this was recognised with the „Work and Family“ certificate being awarded to the Ranshofen and Soest sites.

Key points of our generational management:

- By offering “light-duty jobs” we can retain older employees in the long term
- New technologies, such as assistance from lifting devices, may reduce the physical demands of the workplace in production even more in the future
- Targeted training raises staff awareness of demographic challenges (HAI Academy)
- A structured knowledge transfer programme ensures that long-standing employees transfer their expertise though experience to their new colleagues

Generations

In contrast to general demographic trends, the average age in our company has fallen slightly. This is because the workforce in all locations increased in 2019, and we carried out more training.

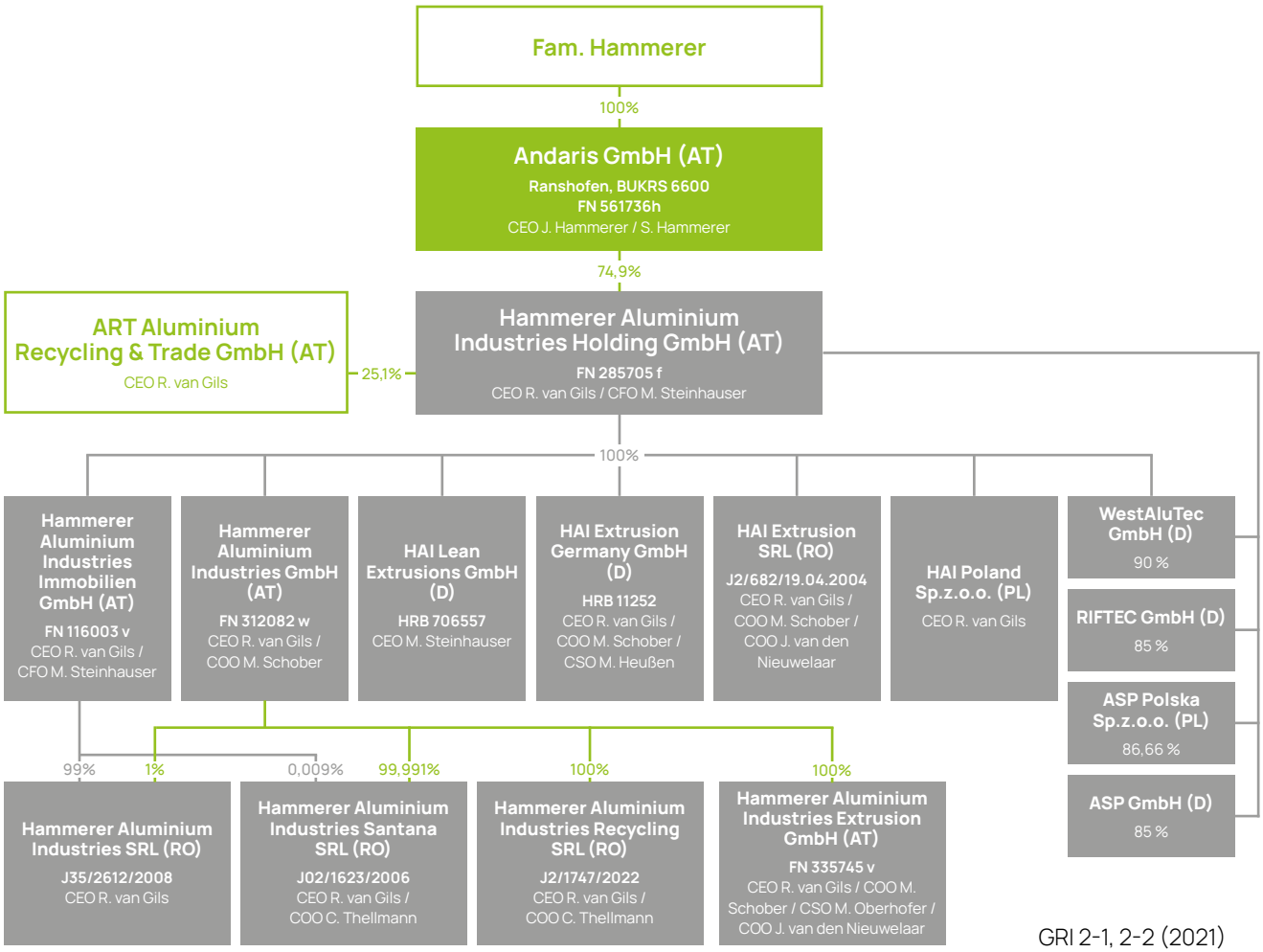
However, we must assume that the average age at HAI will rise over the coming years, until many staff of the baby boomer generation ultimately leave the company due to their age.

Generational diversity in the company will continue to increase due to a higher retirement age and a longer working life. We view this change as an opportunity, and are updating the framework conditions accordingly. Our generational management focuses on measures that support younger and older staff alike in maintaining their performance and health, as well as inter-generational cooperation.

ANNEX

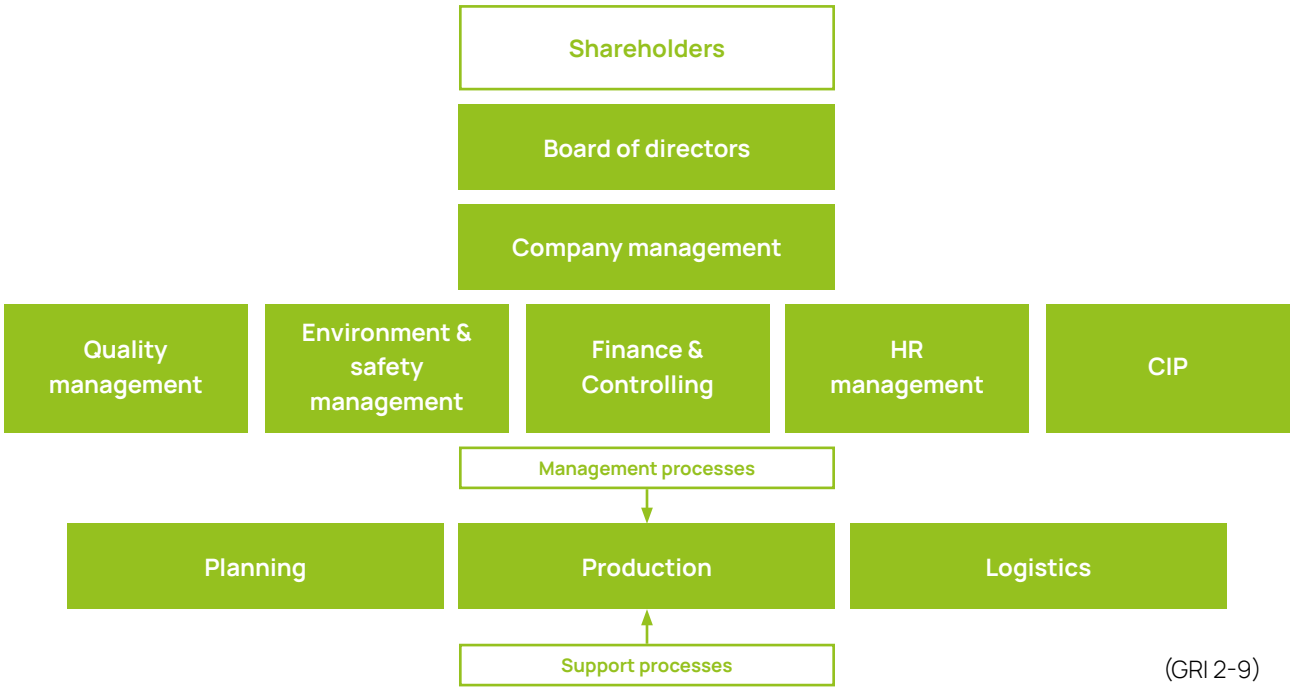
- Annex 1. Legal Structure of the HAI Group GRI 2-1, 2-2 (2021)
- Annex 2. Management Structure of the HAI Group GRI 2-9 (2021)
- Annex 3. Personnel Structure of the HAI Group by age, gender and type of staff

Annex 1. Legal Structure of the HAI Group – Consolidation overview



GRI 2-1, 2-2 (2021)

Annex 2. Verwaltungsstruktur



(GRI 2-9)

Annex 3. Personnel Structure of the HAI Group by age, gender and type of staff

Personnel structure in %

HAI Ranshofen	2021	2022
Blue-collar workers	61%	57,26%
Of which female	6%	6%
Of which male	94%	93,90%
Of which other	0%	1%
White-collar workers	33%	36,87%
Of which female	28%	32,57%
Of which male	72%	67,42%
Of which other	0%	0%
Apprentices	5%	3,35%
Of which female	21%	25%
Of which male	58%	75%
Of which other	21%	0%
Proportion of staff with severe disabilities	2%	2%
HAI Santana	**2021**	**2022**
Blue-collar workers	86%	86%
Of which female	1%	1%
Of which male	99%	99%
White-collar workers	14%	14%
Of which female	60%	59%
Of which male	40%	41%
Apprentices	0%	0%
Of which female	0%	0%
Of which male	0%	0%
Proportion of staff with severe disabilities	0%	0%
HAI Soest	**2021**	**2022**
Blue-collar workers	67%	63,35%
Of which female	1%	1%
Of which male	99%	98%
White-collar workers	27%	22,93%
Of which female	23%	24,74%
Of which male	77%	75,25%
Apprentices	6%	6,61%
Of which female	5%	3,57%
Of which male	95%	96,42%
Proportion of staff with severe disabilities	6%	6%
HAI Cris	**2021**	**2022**
Blue-collar workers	79%	74,59%
Of which female	38%	31,31%
Of which male	62%	68,68%
White-collar workers	21%	25,4%
Of which female	45%	41,93%
Of which male	55%	58,06%
Apprentices	0%	0
Of which female	0%	0
Of which male	0%	0
Proportion of staff with severe disabilities	0%	0

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This Sustainability Report is based on the 2021 GRI Guidelines.

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*** Austria:**
Collective bargaining agreements for „employees in the metal industry" and for „Austrian employees in the mining industry"
Romania:
Collective bargaining agreements at divisional level, Hammerer Aluminium Industries Sântana S.R.L and collective bargaining agreements at divisional level, Hammerer Aluminium Industries Cris S.R.L.
Germany:
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