



Counter motions for the Annual General Meeting on February 16, 2023 in Hamburg

We have received the following counter motion to item 4 of the agenda for our Annual General Meeting from Ethius Invest Schweiz GmbH:

Counter motion regarding agenda item 4: Adoption of a resolution for the formal approval of the members of the Supervisory Board

Ethius Invest Schweiz GmbH moves to deny the formal approval of the Supervisory Board members.

Reasoning:

In the opinion of Ethius Invest, the Aurubis AG Supervisory Board did not adequately fulfill its responsibility as the body overseeing the Executive Board in the past fiscal year.

Ethius Invest is of the opinion that the measures taken thus far by Aurubis AG are not sufficient to ensure that human rights and environmental standards are observed in the supply chain in all the countries that are listed on page 3 of the Group's "Sustainability KPI Update 2020/2021".

Independent publications have been released by various non-governmental organizations (NGOs) regarding the documented and, in our opinion partially proven, human rights violations committed by suppliers of Aurubis.

Examples worth mentioning include the German-language publication "Der Deutsche Rohstoffhunger" published by the "Christliche Initiative Romero e.V." in 2019 and the Spanish-language publication "DERECHOS HUMANOS, DEBIDA DILIGENCIA Y CADENA DE SUMINISTRO DE EMPRESAS ALEMANS QUE OPERAN EN PERÚ" published by the "Centro de Políticas Públicas y Derechos Humanos Perú EQUIDAD" in 2022.

In view of the German law on corporate due diligence in supply chains (Act on Corporate Due Diligence Obligations in Supply Chains -- LkSG), which was published on July 16, 2021 and entered into force on January 1, 2023, publicly known information on possible environmental and human rights violations, both direct and indirect, will take on a new relevance for all company shareholders.

Fines of up to two percent of yearly global turnover (see Sec 24 (3) of the LkSG) can be imposed for violations and exclusion from the award of public contracts can be ordered for up to three years (see Sec 22 of the LkSG).

Furthermore, it is feared that in its controlling function for the LkSG, the Federal Office of Economics and Export Control (BAFA) might take action “ex officio, in the proper exercise of its discretion” or upon request and “monitor compliance with the obligations under sections 3 to 10 (1) with regard to possible human rights and environment-related risks as well as violations of a human rights-related or environment-related obligation.” (see Sec 14 (1)). A person can also make a request for action and claim “that he or she has been violated in his or her protected legal position as a result of the non-fulfilment of an obligation contained in sections 3 to 9” (see Sec 14 (2)).

Due to a lack of transparency along the supply chain, the applicant of this countermotion cannot currently assess whether the Group has fully integrated Section 4 (Risk management), Section 5 (Risk analysis), Section 6 (Preventative measures), Section 8 (Complaints procedure), Section 9 (Indirect suppliers; authorization to issue statutory instruments) and Section 10 (Documentation and reporting obligation) into its business practices and what forms of remedial action in keeping with Section 7 have already been carried out both before and upon the act’s entry into force.

Our previous request for insight into individual supplier relationships was rejected by the company.

We have received the following countermotions to items 2, 3, and 4 of the agenda for our Annual General Meeting from the Dachverband der Kritischen Aktionärinnen und Aktionäre e.V. (Confederation of Critical Shareholders):

Countermotion regarding agenda item 2: Adoption of a resolution for the utilization of the unappropriated earnings

The recommended utilization of the unappropriated earnings should be rejected.

Reasoning:

When utilizing the unappropriated earnings, Aurubis AG has to take the harmful consequences of copper mining and copper production for people and the environment much more into account than in the past and urgently take remedial action.

In view of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) that entered into force on January 1, 2023, publicly known information about possible environmental and human rights violations take on a new relevance for all company shareholders. The Federal Office of Economics and Export Control monitors compliance with the provisions of the LkSG. If a company is found to have committed violations, fines of up to two percent of yearly global turnover (see Sec 24 (3) of the LkSG) can be imposed. The company can also be excluded from the award of public contracts for up to three years (see Sec 22 of the LkSG).

If Aurubis AG truly took its “2030 targets” seriously, to work with “no suppliers with a very high risk” and to minimize the “negative impacts on people and the environment in our supply chains,” then the company would have to take immediate action.

To take precautions against such risks, there should be no dividend payout of € 78,586,254.00 (€ 1.80 per share) from Aurubis AG’s net profit of € 211,599,923.45.

Counter-motion regarding agenda item 3: Adoption of a resolution for the formal approval of the members of the Executive Board for fiscal year 2021/2022

The Confederation of Critical Shareholders moves to deny the formal approval of the Executive Board members.

Reasoning:

The Supply Chain Due Diligence Act (LkGS), (see counter-motion regarding agenda item 2), regulates corporate responsibility for compliance with human rights in global supply chains. This includes protecting the environment. The Aurubis AG Supervisory Board seems very poorly prepared to meet the requirements of the LkGS.

Lack of transparency in the supply chain: Aurubis is struggling with the new law.

Aurubis AG, Europe's largest copper producer, recorded € 530 million in profit (operating EBT) in fiscal year 2021/22, the best result in the company's history. Around 7,000 employees produce over 1 billion tons of copper globally. Aurubis gets the ore for its smelters directly from the mining countries: *"We source a significant portion of our copper concentrates from South American countries such as Peru, Chile, and Brazil."* (Aurubis Annual Report, p 98)

Aurubis AG does not disclose from which companies and from which mines it gets its copper. This makes it hard for Aurubis AG shareholders and the interested public to check whether the suppliers truly uphold the high standards set out for the supply chain in the Aurubis Code of Conduct. More important, however, is whether the suppliers comply with the provisions from the Supply Chain Due Diligence Act and whether Aurubis monitors compliance.

Environmental destruction, human rights violations, and health risks in copper mining in South America

In fact, copper mining in South America goes hand in hand with serious destruction of the environment, human rights violations, and health risks. The case of the Chilean state-owned Corporación Nacional del Cobre de Chile (CODELCO), which claims to be the worldwide largest mining copper producer with 8 % of the world market, is a prime example.

Apparently with full knowledge of CODELCO's participation in an ecological catastrophe and the violation of their duty of care regarding human rights, Aurubis CEO Rolf Harings signed a "memorandum of understanding for cooperation for a more sustainable and responsible copper value chain" with CODELCO on January 29, 2023.

Ecological catastrophe in Chile

The largest copper mine in the world is located in northern Chile in the Chuquibambilla Province. CODELCO operates the Chuquibambilla mine, which is just a few kilometers north of the city of Calama. Allegedly 300,000 tons of copper are mined here both above and below ground every year. In the province and at the mine site, a NDR team did research for the "Schmutziger Kupfer – Die dunkle Seite der Energiewende" (Dirty Copper -- the Dark Side of the Energy Transition) television documentary. The mine is "located in the Atacama desert, one of the driest places on earth. The earth is torn open here on a vast scale to extract the valuable metal. Although it rarely rains here, the pit gobbles up vast quantities of water to extract the copper. An ecological catastrophe.

The villages of the people who live in the area are simply denied water, and the rest of the water is contaminated with heavy metals. The terrible result is a cancer rate that is five to six times higher than in the rest of the country." (ARD broadcast the documentary on October 25, 2022,

<https://www.daserste.de/information/reportage-dokumentation/dokus/sendung/schmutziges-kupfer-106.html>)

Mine wastewater in the salt lake and extreme particulate matter pollution in Calama

For decades now, CODELCO has been discharging the wastewater from the mine into the nearby salt lake, which has reached gigantic proportions by now. Today, it is just a few kilometers from the closest city, Chiochio. The TV recordings show thick plumes of smoke blowing from the mine into the city.

“The people in Calama are continually exposed to particulate matter pollution. They are constantly developing serious respiratory illnesses or suddenly dying from cancer. Cancer is the number one cause of death in the region,” Sergio Chamorro says. An environmental lawyer, he represents many indigenous people who live in Calama.

Exporting copper: From the “Street of Death” and Antofagasta Port to Hamburg The copper ore is transferred by train from the Atacama Desert to the port city of Antofagasta. The route is also called “El Camino de la Muerte” (the Street of Death). Copper is shipped all over the globe from Antofagasta, including to Hamburg. “The cancer rates here in the region are 5 to 7 times higher on average than in the rest of the country,” Dr. Hugo Benito Carceres, Head of Anatomical Pathology at the regional hospital in Antofagasta, tells NDR. The hospital also serves the city of Calama. “One of the main causes of the disease is the considerable exposure to arsenic in Calama and in Antofagasta. Exposure to heavy metals continues to rise. This will cause the death rate to rise even higher.” A 2017 study carried out by Berkeley University (USA) confirmed a serious increase in the illness and death rates from bladder and kidney cancer in the region.”

Agenda item 4: Adoption of a resolution for the formal approval of the members of the Supervisory Board for fiscal year 2021/2022

The Confederation of Critical Shareholders moves to deny the formal approval of the Supervisory Board members.

Reasoning:

The Aurubis AG Supervisory Board has failed as the body overseeing the Executive Board. The Supervisory Board has failed to ensure sufficient transparency in its business dealings, for example.

The Supervisory Board has not provided the company with enough resources for successful sustainability work. Sustainability expertise is not required in either the Supervisory Board or the Executive Board. As a result, none of the necessary modifications have been made to ensure due diligence along the supply chain. Business with suppliers assessed as very high risk is still permitted until 2030. Refusing to have any sort of business relationship with suppliers who violate environmental protection and human rights would show commitment.

Hardly any information about copper suppliers from Peru

The “Bergbau Peru – Reichtum geht, Armut bleibt” (Mining in Peru - Wealth Leaves, Poverty Remains) campaign is committed to ensuring that German companies focus on minimizing environmental risks and protecting human starting at the very beginning of the supply chain in Peru. This applies in particular to the largest copper importer in Europe: Aurubis AG, located in Hamburg. It purchases copper from many mines in Peru.

The Aurubis AG website and its sustainability and investment reports offer no information about who the copper suppliers in Peru might be. The only information in the 2020-2021 Sustainability Report is that 16 % of concentrates come from Peru.

Information could only be found about Minera Gold Fields Peru, which reports from 2017 to 2020 name as an Aurubis copper supplier. Gold Fields Peru exports copper to Aurubis AG and Aurubis Bulgaria AD. The percentage share of sales to Aurubis AG fluctuates between 32.94 % and 26.6 % of total sales, while the percentage share of sales to Aurubis Bulgaria rose from 5.51 % to 16.4 % of total sales for Gold Field Peru.

Given the fact that Aurubis has implemented social responsibility projects in the Cajamarca, Cuzco-Arequipa region, one can assume that at least one mining company in the Cajamarca region is an Aurubis copper supplier. This leads to the conclusion that Aurubis has additional suppliers in the Cusco region and possibly in Arequipa.

Whistleblower system does not work

The Supervisory Board has failed to question the lack of success of the Aurubis whistleblower system implemented years ago. Why has it failed to notice that no tips about environmental protection and human rights violations, conflicts of interest, about corruption have been submitted? In the same time period, civil-society organizations reported on incidents with Aurubis suppliers both at the Aurubis AG Annual Meeting and in the media. Aurubis has to start truly protecting whistleblowers instead of blocking whistleblower information.

Conflicts of interest and a lack of transparency at the Aurubis site in Bulgaria The Supervisory Board failed to sufficiently assess whether the Executive Board was completely fulfilling its social responsibilities with respect to the local municipalities. Conflicts of interest with Aurubis suppliers, who simultaneously hold municipal offices at the Aurubis sites, cannot be tolerated in the interest of the municipalities. These types of business relationships not only harm the municipalities affected, but also society as a whole. For example, Aurubis is still not paying any fees for surface water consumption at its Bulgarian site. There are not enough public funds available to social projects in the Pirdop area, such as for the necessary renovation of the ramshackle hospital. Other large companies in the region, such as mine operators Medet Assrel and Elazite, are fulfilling their municipal responsibilities and paying fees for the use of surface water from the Duszanzi water reservoir.

The Supervisory Board has tolerated shareholders being given little or no information about the Executive Board’s business processes, such as the lawsuit filed by Aurubis Bulgaria against the Pirdop township for the acquisition of a water reservoir in an EU-Natura2000 protected area (currently the lawsuit stipulates implementation of the commitments made in 2021).

The Supervisory Board must also ensure greater transparency regarding environmental data on health risks. This type of data can save people's health and lives. Anyone who refuses to provide environmental data for financial reasons is culpable.

The questionable "The Copper Mark" quality seal

The Supervisory Board neglected to question the purpose of implementing the seal. What use is a quality seal if the media and civil society uncover violations committed by Aurubis regarding its duty of care towards suppliers, but official certification bodies like "The Copper Mark" do not?

Comment on our shareholders' counter motions:

The management will comment on the counter motions at the Annual General Meeting as necessary.

Aurubis AG
Executive Board