AMAG
AUSTRIA METALL

ALL-ROUND SUCCESS

Growth course successfully continued.

FINANCIAL REPORT 2021

KEY FIGURES FOR THE AMAG GROUP

FINANCIALS	Unit	2021	2020*	Change in %
Shipments	tonnes	**442,300**	404,800	9.3 %
External shipments	tonnes	**414,600**	378,200	9.6 %
Group revenue	EUR million	**1,259.4**	904.2	39.3 %
EBITDA	EUR million	**186.2**	108.2	72.0 %
EBITDA margin	%	**14.8 %**	12.0 %	-
Operating result (EBIT)	EUR million	**101.8**	24.8	310.9 %
EBIT margin	%	**8.1 %**	2.7 %	-
Earnings before taxes (EBT)	EUR million	**93.0**	15.6	497.2 %
Net income after taxes	EUR million	**64.6**	11.1	484.3 %
Earnings per share	EUR/share	**1.85**	0.31	496.8 %
Cash flow from operating activities	EUR million	**45.6**	107.3	-57.5 %
Cash flow from investing acitivites	EUR million	**-69.8**	-62.2	-12.2 %
Total assets	EUR million	**1,593.8**	1,548.3	2.9 %
Equity	EUR million	**629.5**	602.7	4.4 %
Equity ratio	%	**39.5 %**	38.9 %	-
Working capital employed	EUR million	**449.9**	321.6	39.9 %
Capital employed	EUR million	**946.6**	914.4	3.5 %
ROCE	%	**7.6 %**	1.9 %	-
ROE	%	**10.6 %**	1.8 %	-
Net financial debt	EUR million	**346.1**	314.3	10.1 %
Gearing ratio	%	**55.0 %**	52.2 %	-

ENVIRONMENT [1]	Unit	2021	2020	Change in %
Aluminium scrap processed	tonnes	**341,200**	289,300	17.9 %
Scrap utilisation rate on average	%	**78 %**	78 %	-
Specific energy consumption	Wh/tonne	**1,179**	1,194	-1.3 %
Specific CO_2 emissions (scope 1 & 2)	tonnes CO_2/tonne	**0.17**	0.17	0.0 %
Specific service water withdrawal	m^3/tonne	**6.00**	6.00	0.0 %
Specific waste volume	kg/tonne	**15.50**	16.60	-6.6 %
SOCIAL & GOVERNANCE				
TRIFR accident rate [1]		**0.8**	1.3	-38.5 %
AMAG Group employees [2]	full-time equivalents	**2,148**	1,991	7.9 %
Proportion of women [3]	%	**15 %**	14 %	-
Staff turnover rate [3]	%	**8.1 %**	5.4 %	-
CIP suggestions submitted [1]	total	**9,799**	10,272	-4.6 %
Hours for training & development [3]	h/employee	**18**	13	38.5 %
Donations and sponsoring expenses [3]	EUR	**87,000**	114,500	-24.0 %
Compliance violations [3]	quantity	**0**	0	-
INNOVATION				
Share of specialty rolled products [1]	%	**42 %**	41 %	-
Research & development expenses	EUR million	**16.7**	14.6	14.4 %
Research & development staff [3]	headcount as per December 31	**148.0**	148.0	0.0 %

* A correction in accordance with IAS 8.41 results in an adjustment of the previous year's figures (details are provided in the financial report, in section G of the consolidated financial statements).

1) Information excluding interests in AMAG components and the Alouette smelter.

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

3) Information excluding interest in the Alouette smelter.

FINANCIAL REPORT 2021

FOR SUSTAINABILITY REASONS YOU WILL FIND THE FINANCIAL REPORT ONLY IN DIGITAL FORM ON OUR WEBSITE.

www.amag-al4u.com/en/investor-relations/financials-reports.html

In the interests of responsible resource utilisation and making use of the opportunities offered by digitalisation, the extensive Annual Report 2021 is not being printed in full this year.

The magazine accompanying the 2021 Annual Report, which contains the most important information concerning AMAG and its business trends and performance in 2021, is also available as a print version.

GROUP MANAGEMENT REPORT

Group management report

COMPANY PROFILE

AMAG Austria Metall AG produces high-quality semi-finished aluminium products and components as well as primary aluminium. The company combines top product quality, efficient production, a broad product portfolio comprising a high specialty products component and cutting-edge aluminium recycling expertise in a unique manner. **(GRI 102-1, 102-5)**

AMAG's headquarters are located in Ranshofen, Austria. At Ranshofen, AMAG produces, firstly, recycled cast alloys. These are delivered to manufacturing industry in the form of ingots and sows, as well as liquid aluminium, and are used in die casting and other applications. Secondly, at the Ranshofen site, high-quality aluminium rolled products in the form of sheets, coils and plates are produced. The broad product range comprises high-strength materials, tread plates, bright products, brazing sheets, foil stock for the packaging industry, precision plates and cathode elements. These products are deployed in many different industrial sectors, such as aircraft, automotive, mechanical engineering, packaging, electrical, sports, consumer goods and architecture. **(GRI 102-3, 102-6)**

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

AMAG also holds a 20 % interest in Canada's Alouette smelter, the largest smelter in North and South America. This smelter produces primary aluminium in the form of low-profile sows and is one of the primary material suppliers for the Ranshofen site. Production entails the efficient deployment of hydroelectric power, thereby operating with exemplary low environmental impact, especially in terms of CO_2 emissions. Alouette's alumina supplies are secured by its owners. Its raw material requirements are covered by large mining companies and raw materials traders.

With the complete takeover of Aircraft Philipp, the AMAG Group has taken a major step in the implementation of its strategy and bundled its semi-finished product and component manufacturing activities. The two German production sites in Übersee am Chiemsee and in Karlsruhe are included under AMAG components in this financial report. **(GRI 102-4, 102-9)**

COMPANY STRUCTURE

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

METAL DIVISION

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

CASTING DIVISION

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

ROLLING DIVISION

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

SERVICE DIVISION

Along with the Group management, the Service Division's portfolio includes facility management (building and area management), energy supplies, waste disposal, as well as purchasing and materials management. As a consequence, this division creates the preconditions for the operating divisions to focus on their respective core businesses. **(GRI 102-2, 102-7)**

THE AMAG BUSINESS MODEL

Adding value with clear strengths in terms of sustainability lies at the heart of AMAG's business activities and is supported by a unique value chain. **(GRI 102-2, 102-6, 102-9)**

UPSTREAM

ALOUETTE

Interest in Alouette smelter

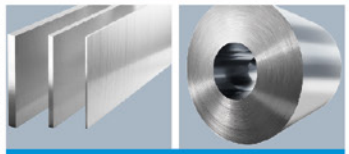
Primary aluminium

DOWNSTREAM

AMAG AUSTRIA METALL

Aluminium rolling mill with own casthouse at AMAG headquarters

Cast alloys



Rolled products

Component and sub-assembly production at AMAG

Ready-to-install components

SEPT ÎLES

+ Largest smelter in North and South America
+ Outstanding in terms of energy consumption and CO_2 emissions
+ Primary material basis at the highest ecological level
+ Favourable location thanks to direct connection to deep-sea harbour

RANSHOFEN HEADQUARTERS

+ Two independent rolling mills, several heat treatment lines and two casthouses
+ One of the largest aluminium recyclers at a European site (cast/wrought alloys)
+ Scrap utilisation rate of 75 - 80%
+ High proportion of specialties
+ Closed loop partner

ÜBERSEE / KARLSRUHE

+ Two sites specialising in machining of aluminium, titanium and other metals
+ Mountable components and assemblies for the aircraft industry
+ Closed-loop recycling of aluminium plates from Ranshofen

UNIQUE COMBINATION FOR HIGHEST RELIABILITY AND SUSTAINABLE DEVELOPMENT

+ AMAG share (20 %): **Approx. 120,000 tonnes per year**
+ Production based on hydroelectric power

AMAG thereby has sustainable primary aluminium at its disposal to strategically secure its own supply of primary materials.

+ Proven **strength in recycling**
+ **Growth potential:** Rolling capacity of 300,000 tonnes with currently free capacities of around 70,000 tonnes
+ **Broad product portfolio** with high proportion of **specialties**
+ **Market focus on Europe:** Customer base and primary sales market in Europe (around 75%)

+ **Forward integration** from semi-finished products to components
+ **High degree of specialisation**
+ Optimised closed loop for **aircraft supply chain**

NON-FINANCIAL STATEMENT

ABOUT THIS REPORT

In its 2021 non-financial statement, AMAG informs its most important stakeholder groups (shareholders & investors, business partners, employees, the general public, government bodies) about its targets, measures and progress in relation to sustainable corporate development. This also complies with its obligation to prepare a non-financial statement in the management report (see Section 267a of the Austrian Commercial Code [UGB]). This non-financial statement, which has been published annually since 2017, also contains further information on sustainability activities in order to achieve a holistic presentation of the company's performance in the areas of the economy, ecology and social affairs. The statement relates to the 2021 financial year (January 1 to December 31, 2021), with the previous annual data from 2020 and 2019 being utilised for comparative purposes. The previous non-financial statement was published on February 25, 2021. **(GRI 102-50, 102-51, 102-52)**

CONTENT REQUIREMENTS

The contents and quality of the report are based on the principles of stakeholder inclusion, materiality, the sustainability context as well as completeness, currency and comparability. AMAG's stakeholders were involved in determining the report's contents. The reported information was selected based on the results of the materiality analysis in accordance with GRI guidelines. Accordingly, the report covers all those sustainability aspects that either reflect important economic, ecological or social effects of the organisation or could exert considerable influence over AMAG stakeholders.

The completeness of the non-financial statement relates to the treatment of the key topics and how they are demarcated, as well as information concerning environmentally sustainable activities in accordance with the EU Taxonomy Regulation. The content of this report reflects AMAG's relevant and essential issues in relation to sustainable development and is addressed to all stakeholders. **(GRI 102-46)**

CONFORMITY WITH GRI

The non-financial statement was prepared in conformity with GRI standards: "Core" option. The GRI content index lists all topics on which AMAG reports in accordance with GRI standards. The information published in this report has been substantively reviewed by an independent third party, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., in order to obtain limited assurance on the basis of ISAE 3000 (Revised). In order to improve reading flow and avoid redundancies, a few individual elements from this non-financial statement, which are required by the GRI Standards but not by the Sustainability and Diversity Improvement Act (NaDiVeG), are placed outside the Group Management Report in the 2021 Annual Report. This applies, among other matters, to the GRI content index, the Management Board's statement, and information on the management structure. This non-financial statement complies with the requirements of the Sustainability and Diversity Improvement Act (NaDiVeG). Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. was commissioned as auditor of the 2021 consolidated financial statements and management report. The Management Board instructed the relevant staff from the relevant departments to provide complete, accurate documents and information required for the audit. **(GRI 102-54, 102-55, 102-56)**

SCOPE OF REPORT

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

The shareholdings as of December 31, 2021, as well as the companies included in the consolidated financial statements are presented in section D Consolidation principles. **(GRI 102-45)**

CHANGES TO SIZE AND STRUCTURE

In 2021, AMAG Austria Metall AG acquired the remaining 30 % interest in AMAG components, headquartered in Übersee am Chiemsee, after having previously invested in the company in October 2020. It thereby became the sole owner from the turn of the year 2021/22. As a consequence of the acquisition, AMAG has extended its value chain to include mechanical machining (focus on the milling of aircraft components) and the manufacture of special components from aluminium and titanium. As a result, AMAG is for the first time able to offer mechanically processed, finished products besides semi-finished, rolled products. The acquisition supports AMAG's specialties and recycling strategy (optimised buy-to-fly ratio and supply chain). Moreover, the newly established sales company Alüminyum Ticaret Limited Şirketi was included in the consolidated scope on June 30, 2021. **(GRI 102-10)**

CONTACT POINT

Should you have any questions relating to the content of this report, or for a dialogue concerning AMAG and its sustainability management, please contact our Communication and Sustainability department (email: sustainability@amag.at). **(GRI 102-53)**

INTEGRATED CORPORATE AND SUSTAINABILITY STRATEGY

AMAG's business model illustrates how innovation and sustainability go hand in hand. Through investment and innovation, AMAG has become the most modern aluminium rolling mill in the western world. Digitalisation and the circular economy are innovation drivers for profitable development and growth. Tailored product solutions are used to help customers further improve their products' carbon footprint. The innovation topic is also emphasised in all process steps and in site management. For example, with the construction of the Smart Factory in the "Center for Material Innovation – CMI" technology centre, sample production and testing will be fully automated and completed in the first half of 2022.

AMAG has set itself ambitious sustainability targets. In the course of updating the sustainability program, sustainability was further anchored within the core business, with strong and measurable targets and clear responsibilities and processes being defined for the six spheres of action: environmental protection, employee relations, corporate management, customer relationships, social commitment and the value chain. With a decarbonisation roadmap developed in 2021, AMAG is actively committed to climate protection and has set itself the ambitious goal of achieving CO_2 neutrality by 2040. Austria is thereby aiming for climate neutrality ten years earlier than envisaged by the European Green Deal. The AMAG approach to decarbonisation consists of the three stages of recycling, energy efficiency and substitution of fossil fuels with renewable forms of energy. This will expand recycling activities accordingly, and make a valuable contribution to the implementation of the EU's Green Deal, which focuses on the circular economy. Furthermore, starting from an already very advanced level, additional energy-saving measures will be implemented in the future and fossil energy sources will be replaced by renewable energies. However, extensive preparations and numerous research projects will be required over the coming years before implementation and investment in facilities and infrastructure in Ranshofen can commence.

Nonetheless, the issue of sustainability also plays an important role for AMAG beyond its own factory gates. With recertification according to the ASI Performance and ASI Chain of Custody Standard (CoC) in 2021, the entire product portfolio can be offered as ASI-certified material, including the entire supply chain – from bauxite mining and recycling, and all the way through to the finished AMAG semi-finished product. Sustainable management is also playing an increasingly important role for investors. To this end, ESG criteria were anchored within the Sustainability Compass. The first place AMAG achieved in the "Effective Sustainability Communicator Award 2021" of the Cercle Investor Relations Austria (CIRA) is a further sign of confidence from the financial markets, and underpins the company's transparent and open sustainability communication.

The COVID-19 pandemic continued to present constraints and challenges during the 2021 reporting year. AMAG responded quickly and decisively to this crisis. For example, work continued to focus on securing competitiveness, safeguarding jobs and protecting employee health. Taking responsibility also means drawing on the lessons learned from the COVID-19 pandemic. This applies to employees, for example, insofar as digitalisation has been advanced in the area of training and education. The crisis team successfully coordinated the measures defined in the prevention concept and ensured employee health protection. Through consistent implementation of the occupational health and safety program, a TRIFR (Total Recordable Injury Frequency Rate) of 0.8 was achieved, well below the target of < 1.5. High demand from various industries was successfully met, while at the same time, planned plant modernisations were implemented according to schedule. **(GRI 102-14)**

CONTRIBUTION TO ACHIEVING SUSTAINABLE DEVELOPMENT GOALS (SDGS)

AMAG supports the achievement of targets for sustainable development adopted by member states of the United Nations in 2015. The 17 targets represent a milestone on the global path to a more sustainable future, offering companies a universally applicable framework in order to make a positive contribution to the growth of the economy and development of society. AMAG commits to implementing this agenda with innovative, sustainable products, dedicated environmental management and a responsible value chain. European Aluminium (EA), of which AMAG is a member, has defined key SDGs and issues for the aluminium sector. **(GRI 102-11, 102-12)** The roadmap[1] identifies four priority areas that the aluminium industry is expected to work towards by 2030:

- Affordable and clean energy: Drive technological improvements and innovation forward in order to increase energy efficiency and switch to renewable energies
- Education: Build a strong employer brand for all genders with a focus on a strong societal reputation, capable of attracting the best minds for the innovation required
- New business models: Develop sustainable solutions that focus on circularity and improve aluminium recycling
- Cooperation on innovations: Redefine cooperation within a long-term political framework beyond usual boundaries

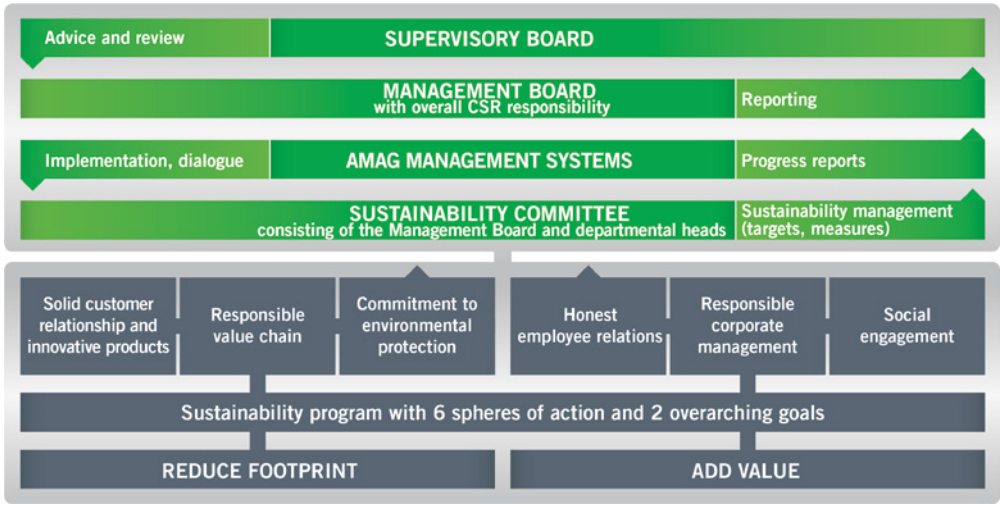
Overview of AMAG's contribution to the SDGs and the European Aluminium Roadmap:

SDG	Description	AMAG sustainability topics	AMAG contribution
4	**High-quality education**: Ensure inclusive, equal-opportunities-based and high-quality education, and promote lifelong learning opportunities for all	Training and development	Comprehensive, targeted training and development programs to attract skilled and young talent for the future.
7	**Affordable and clean energy**: Ensure access to affordable, reliable, sustainable and modern energy for all	Energy and emissions, innovation	Procurement of electricity from renewable energy sources, use of heat recovery, improvement of the energy content of scrap for the melting process, use of waste heat and optimisation of input materials as part of R&D projects, installation of a rooftop photovoltaic system, decarbonisation project
8	**Decent work and economic growth**: Promote lasting, inclusive and sustainable economic growth, full and productive employment and decent work for all	Employment development, training and development, health and safety at work, equal opportunity and diversity, human rights & responsibility in the supply chain, innovation	Employee development, continuous learning, code of conduct, ensuring employee rights and cooperation with trade unions and employee representatives, responsible procurement management, investments in the Ranshofen site, R&D and customer orientation, Continuous Improvement Process (CIP)
9	**Industry, innovation and infrastructure**: Build a resilient infrastructure, promote broad-based and sustainable industrialisation, and support innovation	Employment development, innovation, raw materials and recycling	Investments in the Ranshofen site (including expansion of recycling expertise), product development, innovation in production (including digitalisation)
12	**Responsible consumption and production models**: Ensuring sustainable consumption and production	Raw materials and recycling, human rights & responsibility in the supply chain, innovation	Ramp up the circular economy, retain a 75 – 80 % scrap utilisation rate, promote the use of aluminium products to achieve CO_2 savings (especially lightweight construction in the transport sector), responsible procurement management
13	**Climate protection measures**: Taking immediate action to combat climate change and its effects	Energy and emissions, raw materials and recycling, innovation	Retain a 75 – 80 % scrap utilisation rate, utilise renewable energy sources, energy efficiency, energy savings through innovative technologies, decarbonisation roadmap

1) See European Aluminium, European Aluminium & the Sustainable Development Goals

ORGANISATIONAL ANCHORING OF SUSTAINABILITY

Sustainability forms a basic part of the corporate identity. The transfer of strategic objectives into corporate processes is ensured by involving numerous specialist departments and is integrated with targets and metrics across all business units. As the uppermost supervisory body, the Supervisory Board performs its duties with regard to the company's economic, ecological and social responsibility. The Management Board determines the long-term orientation of AMAG's sustainability strategy. The Management Board is thereby also responsible for implementing the sustainability targets as set out in the sustainability program. These have been transferred to the management structure with clearly defined areas of responsibility. The Management Systems technical department with its departments for occupational health and safety, quality management, energy, environmental and risk management, continuous improvement process and sustainability coordinates sustainability management in a direct line to the Management Board and is also responsible for sustainability reporting. Moreover, the department reports on current developments and issues, prepares reports to track sustainability targets, and is responsible for participating in ESG ratings.



A sustainability committee meets annually to set the strategic course and evaluate sustainability performance. In this context, the measures from the AMAG sustainability program are reviewed with regard to their level of target achievement and adjusted if necessary, and new targets for subsequent years are identified. The committee is composed of the Management Board and the respective department heads. The measures and targets set in this process form the basis on which future sustainability priorities will be decided upon by the Management Board. The respective departments ensure that sustainability issues are continuously implemented as part of day-to-day business, projects and research initiatives. **(GRI 102-18)**

Sustainability management at AMAG is based on the following principles:

- **Prevention:** In order to avoid negative impacts on people and the environment to the greatest possible extent, relevant hazards are addressed at an early stage, and proactively dealt with. In this context, AMAG operates certified management systems focused on occupational health and safety, quality, the environment and energy, as well as an extensive risk management system and an internal controlling system.
- **Efficiency:** When developing our plants, processes and products, AMAG factors in resource and energy efficiency, as well as the minimisation of environmental impacts.
- **Balance:** The broad positioning by sector and products, as well as in terms of the geographic markets AMAG supplies, ensures a high degree of balance and stability. Comprehensive sustainability activities in the various corporate divisions ensure that sustainability management functions systematically and is continuously improved.
- **Materiality:** AMAG focuses on its operating activities' essential economic, environmental and social effects, and maintains constant dialogue with its stakeholders in order to ascertain and determine significant topics.
- **Completeness:** The principles of transparency, up-to-date status and completeness enjoy top priority in both internal and external corporate communication. AMAG communicates promptly and comprehensively with relevant stakeholder groups about key topics relating to its business activities.
- **Flexibility:** AMAG perceives changes to its economic and social environment, as well as new challenges posed by customers and markets, as an opportunity, and meets them with a strong measure of flexibility.
- **Innovative spirit:** Researching technologically challenging questions, the development of marketable applications, and continuous process and product improvement form an expression of AMAG's innovative spirit. **(GRI 102-11, 103-2, 103-3)**

The sustainability compass defines six spheres of action and states specific targets and action plans which are reflected in the sustainability program. The measures implemented and progress made in these spheres of action are disclosed as part of this report:

- Responsible corporate management: This sphere of action encompasses responsible treatment of people and organisations involved in the company's development, and the responsible business activities conducted in a moral, legal and ethical manner.
- Solid customer relationships and innovative products: This sphere of action comprises long-term, partnership-based, fair customer relationships and new customer acquisition. This is achieved primarily by top product quality and innovations, and maximising customer satisfaction.
- Honest employee relations: This sphere of action comprises the systematic training and development of employees, the compatibility of family and work, measures relating to equal opportunities and occupational health and safety, as well as new employee recruitment.
- Commitment to environmental protection: This sphere of action covers environmental protection. Measures are implemented as part of the certified management system (ISO 14001, ISO 50001) and the Continuous Improvement Process (CIP).
- Responsible value chain management: This sphere of action comprises the management of raw materials along the value chain.
- Social engagement: This sphere of action comprises the creation of value at a regional level, interactions with stakeholders and support for social, sporting and cultural activities as key elements of social engagement

RISK MANAGEMENT

Risk management integrates both ecological and social aspects in the interests of sustainability. Active risk management counteracts risks from business operations. These include operational, personnel and business risks as well as ecological and social risks. Based on the risk strategy approved by the Management Board, the current risk situation is evaluated annually and a catalogue of risk-minimising measures and supervisory tasks is defined. In the course of determining AMAG's key topics, a risk assessment is performed in relation to sustainability issues in accordance with the Sustainability and Diversity Improvement Act (NaDiVeG), and the economic, ecological and social effects of the topics, as well as AMAG's potential to minimise negative effects and enhance positive effects, are evaluated. This supplements the classical consideration of financial risks in the risk and opportunity report of this management report (outside-in risk consideration) with an inside-out consideration to determine material sustainability issues for the non-financial statement. **(GRI 103-1, 103-2, 103-3, 102-11)**

STAKEHOLDER MANAGEMENT

Being aware of the requirements of both internal and external stakeholders is an important prerequisite for business success. Open and continuous communication with regional, national and global stakeholders forms the basis for mutual understanding as well as for the social acceptance of corporate decisions. Stakeholder engagement at AMAG is understood as a constant dialogue and learning process which helps to identify relevant trends and to determine joint solutions. AMAG's stakeholders include persons or groups that have justified concerns and claims in relation to the company in connection with its direct or indirect business activities.

Important stakeholders include employees, business partners such as customers, suppliers and representatives from science and research, shareholders and investors, government bodies and the general public. Valuing stakeholders is expressed in a variety of ways: by striving for transparency, by fostering a culture of dialogue and respectful interaction, and by committing to sustainable business practices designed to meet the needs of the current generation without compromising the opportunities of future generations.

An internal working group defines the stakeholder groups that are relevant to AMAG. Important criteria identified in this context include a direct or indirect relationship to corporate activity, and its economic, social and environmental effects. **(GRI 102-42)**

AMAG's stakeholder management is based on the standards of the Global Reporting Initiative (GRI). AMAG pursues a structured approach:

- Stakeholder mapping
- Dialogue, involvement and the exchange of ideas
- Evaluation of feedback and communication

The identification of stakeholders and the continuous and systematic analysis of their issues and expectations forms a cornerstone of stakeholder management. Stakeholders are involved on an ongoing basis. In addition to the online stakeholder survey conducted annually to date via the website, a wide variety of dialogue formats are used. These include questionnaires (such as via social media and the employee app), annual target attainment discussions with employees, personal discussions and dialogue at local, national and international level about cooperation in bodies and associations, topically related stakeholder events at the Ranshofen site, participation in trade fairs and conferences, as well as communication through social media.

The feedback AMAG receives from its stakeholders flows into the orientation and activities of sustainability management. AMAG regularly assesses how these are perceived by stakeholders. In doing so, the company also addresses critical issues. Interested members of the public were informed continuously about the environmental impact assessment for the planned expansion of the casthouse. At the beginning of February 2021, following a detailed official review, a positive decision was issued by the Upper Austrian Regional Government in the environmental impact assessment procedure for the expansion of the AMAG casthouse, against which an appeal was lodged. The expansion project involves the construction of a new facility for melting commercially pure aluminium scrap in an existing hall in the centre on the plant site. The capacity expansion is aimed at securing the supply of the company's own rolling mills at the Ranshofen site and also serves strategic further development as a leading company in the region.

The company bears special responsibility for the neighbourhood around the production sites. Here, AMAG relies on open dialogue between local residents and the AMAG management. In the year under review, local surveys on current stakeholder issues were conducted, especially regarding water withdrawal and the environmental impact assessment relating to the expansion of aluminium melting and rolling slab casting at the Ranshofen site. On the topic of water, a complaint was brought by a local citizens' group and well owners regarding AMAG's water withdrawal. According to calculations by the citizens' initiative, AMAG would have failed to comply with the officially approved water consensus. The complaint was dismissed as unfounded by the respective regulator as well as by the Regional Administrative Court. Regional stakeholders also discussed the planned expansion of the Braunau-Neukirchen industrial park and associated land reallocation.

The AluReport magazine, the non-financial statement in the annual report, press releases and publications in regional media are used in order to report on activities at the Ranshofen site. **(GRI 102-44, 102-43)**

The following table lists AMAG's stakeholder groups, formats and their key topics.
(GRI 102-40, 102-43, 102-44)

Stakeholder group	Stakeholder	Communication and collaboration formats		Topics introduced in 2021
Shareholders and investors	› Shareholders › Banks › Investors	Frequency: Continuous/quarterly › One-on-one meetings with banks, investors and owners › Financial reporting (quarterly), ratings › Plant visits	› Shareholders' General Meeting › Investor conferences › Roadshows › Investor fairs	Business model, decarbonisation, ESG ratings, sustainability strategy, dealing with the COVID-19 pandemic, acquisition of AMAG components, upcoming investments, market development, goods transportation
Business partners	› Customers › Suppliers › Science and research	Frequency: Continuous › Working groups › Audits › Reporting practice › Complaints management › Research projects › Communicating through social media › Partnerships with universities, talks	› AluReport customer magazine › Customer satisfaction measurement › Trade fairs and specialist conferences › Training activities › Company website › Plant visits › Science and technology advisory board	Supply chain responsibility, customer relationships, carbon footprint, decarbonisation, risk management, innovation, Aluminium Stewardship Initiative (ASI), closed loop concepts, recycling, occupational health and safety, ethics, digitalisation
Employees	› Applicants › Management › Employees	Frequency: Continuous › Intranet (newsletter) › Career fairs › Communication via social media, employee app › Continuous Improvement Process (CIP)	› Employee surveys and meetings › Employee discussions › Events › Dialogue with employees and management	AMAG as an employer (remuneration, dividends, work-life balance, working hours), acquisition of AMAG components, products
Public	› Neighbourhood › NGOs › Media › Competitors › Associations	Frequency: Continuous › Active collaboration in associations and bodies › Working groups › Questionnaires › Reporting of non-financial information › Communicating through social media	› Cultural sponsorship › Press relations, conferences, interviews, one-on-one meetings › Stakeholder survey › Events and dialogue › Plant visits › Complaints management	Decarbonisation, raw material supply, shortage of skilled staff, sustainability strategy, recycling, innovation, water
Government bodies	› Public authorities › Legislators › Policymakers	Frequency: Continuous › Authorisation procedures › Dialogue, specialist discussions and talks › Stakeholder survey	› Opinions › Plant visits	German Supply Chain Act, Carbon Border Adjustment Mechanism (CBAM), EU Taxonomy, EU Emissions Trading System (ETS), EU Renewables Directive

MATERIALITY ANALYSIS

AMAG continuously assesses the materiality of economic, ecological and social issues. Topics of importance to AMAG and its stakeholders were identified and prioritised as part of the materiality analysis conducted in 2021. This provides an orientation and focus for AMAG's sustainability reporting. In addition to the internal corporate view, the materiality analysis takes stakeholders' expectations and interests into account, and forms the basis for the content of the non-financial statement.

The materiality analysis is updated annually to reflect internal and external developments and is approved at the annual sustainability committee meeting. It involves three steps:

1. IDENTIFICATION OF TOPICS OF POTENTIAL RELEVANCE BASED ON RECOGNISED STANDARDS

In an internal materiality process, AMAG identifies particularly important issues from a company perspective, including industry and sustainability standards, regulatory guidelines, market trends, company and stakeholder interests. In the course of this process, the business activities' significant effects and risks in relation to sustainability issues are also taken into consideration in accordance with the Sustainability and Diversity Improvement Act (NaDiVeG). The focus here is on both the potentially positive and negative societal effects according to NaDiVeG. A review is also conducted as to whether the priority of a topic has changed from an internal perspective, whether a topic is no longer considered of key importance or whether a new topic must be classified as material. The results of the previous analysis from 2020 form the basis for this.

2. ASSESSMENT OF SUSTAINABILITY ISSUES: BROAD STAKEHOLDER INVOLVEMENT

In a further step, AMAG's stakeholders can evaluate sustainability issues and AMAG's performance in a permanent and open online survey, which is available on the website. Stakeholders are invited to identify the issues that are of particular importance to them. They also have the opportunity to identify other topics that may be relevant to them. For the present report, the results of the online survey for 2020 and 2021 were evaluated. A total of 322 participants from all defined AMAG stakeholder groups took part in the survey. Sustainability issues brought to the attention of the department heads by stakeholders during the year were also taken into consideration. Respondents assessed the subjects of recycling, occupational health and safety, innovation, as well as energy and emissions as being of particular relevance for AMAG.

3. VALIDATION AND DEFINITION OF TOPICS FOR REPORTING

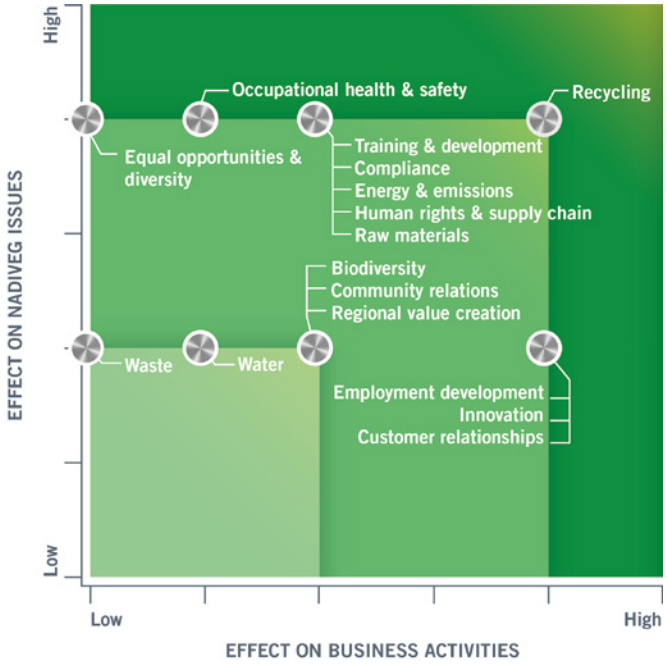
With the involvement of internal sustainability experts, the results of the internal materiality process were compared with the results of the current stakeholder survey, and the contents of this report were derived from them. Materiality was determined from two perspectives: Firstly, internal and external stakeholders assessed the relevance of the existing topics for AMAG from their perspective. Secondly, those individuals responsible for the departments were asked to assess the impact of the respective topics on business relevance and on NaDiVeG issues. The identification and assessment of material topics thereby takes into account the following aspects: "impact on business activities", "impact on NaDiVeG issues", and "relevance for stakeholders". This enables a comprehensive and integrated view that combines the topics' sustainability context and their business significance for the company. Finally, the results of this process were approved for reporting by the Management Board. **(GRI 102-47)**

Materiality

An updated list of material (including top topics) and supplementary topics emerges from the two materiality perspectives. Supplementary topics are those that were classified as low due to their influence or impact, or were brought to the attention of the departments by the stakeholders, or were newly introduced in the online survey. Waste, biodiversity, equal opportunities and diversity, community relations, regional value creation and water will be addressed as supplementary topics in the 2021 reporting year. A shift occurred here compared with the previous year – the topics of training and education as well as employment development are now treated as material topics in the 2021 financial year. However, this does not lead to any structural shifts in this report.

Impact of the topics on business relevance and NaDiVeG issues

The matrix for the impact of a topic on business relevance and on NaDiVeG issues presents the strategic cornerstones of the corporate strategy. In terms of business relevance, the topics of employment development, innovation, customer relationships & consistent customer orientation, as well as recycling dominate the materiality assessment. The innovation topic has a significant bearing on business relevance, as the development of solutions to meet customer needs calls for a strong focus on research and development. Equally, the recycling topic remains a decisive factor as a differentiating characteristic in relation to competitors, and on the path to a climate-neutral AMAG. The topic of employment development has gained increased strategic relevance since the outbreak of the COVID-19 pandemic. For example, although the labour market clearly eased in the 2021 financial year, it is becoming increasingly difficult to fill vacant positions due to the decrease in the birth rate and the resultant reduction in the supply of skilled staff for the future. In terms of the impact on NaDiVeG issues, the topics of occupational health and safety, training and development, equal opportunities & diversity, compliance, energy & emissions, human rights & responsibility in the supply chain, recycling and raw materials predominate.



Influence of the topics on stakeholder assessments and decisions

The stakeholder survey did not raise any new topics in the 2021 financial year. The topics of recycling, occupational health and safety, innovation, energy & emissions, and raw materials feature at the top of the stakeholders' agenda. For AMAG employees, the most important topics are recycling, occupational health and safety, and innovation. For external stakeholders, these are recycling, innovation and emissions.

The topics of biodiversity, employment development and human rights play a somewhat subordinate role in the assessment of materiality from the stakeholders' perspective. In addition, community relations (in other words, maintaining relationships with the local community, as well as regional value creation) were raised as topics by stakeholders.

The development of so-called ESG topics, which are increasingly being taken into account in investor decisions on the capital market, is monitored continuously. For this reason, the topics reported are assigned to the three ESG categories of Environmental, Social and Governance.

MATERIAL AND SUPPLEMENTARY TOPICS (GRI 103-2)

Topic (M = material, S = supplementary)	Potential impact on the environment and society	AMAG handling	NaDiVeG issues	GRI aspects
Sphere of action: "Responsible corporate management"				
M Compliance	-/+ (Un)fair competition +/- (No) discrimination +/- (Non-)compliance with environmental regulations +/- Observance of human rights or human rights violations +/- (Non-)disclosure of confidential information	Compliance system, seminars, training, guidelines, code of conduct, code of ethics for suppliers, compliance check, data protection agreements, data security	Anti-corruption and bribery, employee issues, diversity, human rights, social issues, environmental issues	Compliance, equal treatment, taxes, anti-competitive behaviour
M Human rights & responsibility in the supply chain	+ Promotion of sustainable and environmentally compatible working practices in the supply chain +/- (No) discrimination +/- (Non-)compliance with environmental regulations -/+ (Un)fair competition +/- No or negative environmental impact	Code of conduct, responsible procurement management, code of ethics for suppliers, ASI certification	Employee issues, human rights, social issues, environmental issues	Materials, procurement practices, compliance
Sphere of action: "Solid customer relationships and innovative products"				
M Innovation	+/- Sustainable products with lower environmental impact (e.g. recycling-compatible alloys) and products with high environmental impact +/- Good/inadequate quality and delivery performance +/- New patents and infringement of patents -/+ Market losses or gains +/- Growth or reductions in revenue and earnings +/- Contract extensions or terminations by customers	R&D partnerships, R&D investments, market monitoring, development partnerships with customers, R&D steering committee, science and technology advisory board, failure mode and effects analysis	Employee issues, environmental issues	No GRI aspect available
M Customer relationships and consistent customer orientation	+ Driving innovation + Stable employer thanks to broad customer portfolio + Positive environmental impact due to customer demand for sustainable products and fair working practices -/+ (Un)fair competition +/- Growth or reductions in revenue and earnings	Seminars, certifications, R&D, complaint handling, rejects analyses, setting of specific targets; customer qualifications, CIP, use of SMILE (Shared Material Inventory and Logistics Execution) customer portal, use of Customer Relationship Management, Net Promoter Score	Anti-corruption and bribery, environmental issues	No GRI aspect available

Sphere of action: "Honest employee relations"					
M	Occupational health and safety	+ Prophylactic healthcare +/- Less/more sick leave + Good work-life balance +/- Cost (savings) for social security - Accidents at work or impaired employee health (sickness rates)	Guidelines, safety instructions, ad hoc training, safety steering committee (SILAS), safety officers, contractor safety training, certifications, audits, "zero accidents" strategy, occupational medicine, seal of approval for workplace health promotion	Occupational health and safety	No GRI aspect available
M	Training and development	+ Attractiveness in the labour market + Competence cluster in the region +/- Gains or losses in know-how	Qualification programs, training and development programs, employee target setting and development meetings, "dual" vocational training, AMAG training offerings, competence system, HR score	Employee issues	Training and development
M	Employment development	+ Regional value creation +/- Gains or losses of jobs	Recruitment, alliances, info days and guided tours, awarding of project work, transfer of information	Employee issues, diversity, social issues	Employment
S	Equal opportunities & diversity	+ Promotion of diversity +/- (No) discrimination +/- (No) human rights violations	Code of conduct, personnel growth measures, participation in projects to promote women, children's holiday promotion, alliances with universities and schools, info days and guided tours, awarding project work	Employee issues, diversity, social issues	Diversity and equal opportunities
Sphere of action: "Responsible value chain management"					
M	Raw materials & recycling	+ Improved net carbon footprint + Promotion of the circular economy + Resource conservation + Establishment of binding supply chain standards (ASI) - Raw materials shortages and conflicts - Lack of social supply chain standards - Health risks to humans and the environment - Land utilisation (loss of biodiversity) - Emissions in the context of production - Human rights violations	Master agreements with long-standing suppliers, responsible sourcing process, compliance rules for suppliers, assessments and audits, memberships (e.g. ASI, EA), code of conduct, supplier assessment, promotion and implementation of ASI standards, investments in sorting technologies, closed loop concepts, collaboration with customers, communication and awareness-raising regarding energy and environmental topics	Human rights, environmental issues	Materials
Sphere of action: "Commitment to environmental protection"					
M	Energy & emissions	+ Reduction of environmental impact through efficient use of energy and renewable energy sources - Environmental impact of greenhouse gases - Gas and dust emissions and associated deterioration of air quality, damage to health and impairment of local flora and fauna	Management handbook, environmental and energy management system, certifications (ISO 14001, ISO 9001, ISO 50001), internal procedures, increased use of renewable energies, promotion and implementation of ASI standards, high scrap utilisation rate, communication and raising awareness of energy and environmental topics	Employee issues, social issues, environmental issues	Energy, emissions
S	Water	+ Resource conservation - Pollution, scarcity and availability of resources as well as resource conflicts	Wastewater treatment, efficient use of water (closed loop), wastewater measurements, cooperation with authorities, environmental management system	Social issues, environmental issues	(Waste) water
S	Waste	+ Resource conservation - Environmental damage (e.g. soil contamination in Ranshofen due to legacy pollution)	Waste officers, environmental management system, professional disposal, interim storage, interim waste storage, recycling	Social issues, environmental issues	Waste

S	Biodiversity	+ Reinforcement of Ranshofen as a local recreation area +/- Positive or negative effects on the ecosystem of woodland and water	Biodiversity action plan, AMAG environmental legislation register, environmental management system, environmental management meeting and environmental planning team, internal audits, observance of official requirements, ASI certification	Social issues, environmental issues	Biodiversity
Sphere of action: "Social engagement"					
S	Community relations	+ Strengthening the regional environment through donations & sponsorship -/+ (In)sufficient information about work activities	Code of conduct, donations and sponsoring, AMAG Social Award	Employee issues, social issues	No GRI aspect cited
S	Regional value creation	+ Adding value in the region by awarding contracts to local suppliers - Weakening of local suppliers due to lack of inclusion in the awarding of contracts	Purchasing guidelines, tax guidelines	Social issues	Procurement practices

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

SUSTAINABILITY PROGRAM (GRI 103-2, 103-3)

SDG	Topic	2021 target	Performance 2021	2022 target/medium term
Sphere of action: "Responsible corporate management"				
	Compliance	Continuous further development of the compliance system: No violations	**Compliance violations recorded**: None	Continuous further development of the compliance system: No violations
	Human rights & responsibility in the supply chain	Adherence to principles of human rights at AMAG and its suppliers	**Human rights violations recorded**: None	Adherence to principles of human rights at AMAG and at suppliers by - Creation of a human rights brochure - Involvement of AMAG components in responsible procurement management
Sphere of action: "Solid customer relationships and innovative products"				
	Innovation	Increase of AMAG's specialty products share by 1.5 % (shipments in tonnes) per year; research transfer and increase in the depth of scientific research through an annual number of at least three new dissertations and at least 12 ongoing dissertations	**Specialty share of rolled products:** 42 % (2020: 41 %) **Number of dissertations started**: 5 (2020: 3) **Number of current dissertations**: 10 (2020: 9) **Employees with R&D and innovation tasks:** 148 (2020: 148)	Increase of AMAG's specialty products share by 1.5 % (shipments in tonnes) per year; research transfer and increase in the depth of scientific research through an annual number of at least three new dissertations and at least 12 ongoing dissertations
	Customer relationships and consistent customer orientation	Acquisition of new customers and long-term retention of existing customers by deepening understanding of customers and providing high-quality aluminium products produced in a sustainable manner Shipments of 20,000 tonnes of ASI-certified aluminium	**Shipments from the Ranshofen site**: 317,400 tonnes (2020: 280,700) **Number of CIP suggestions submitted:** 9,799 (2020: 10,272) **Successful recertifications:** Excellent quality of the management system certified (IATF 16949, AS/EN 9100, ISO 14001, ISO 50001, ISO 45001, ISO 9001)	Acquisition of new customers and long-term retention of existing customers by deepening understanding of customers and providing high-quality aluminium products produced in a sustainable manner through - Establishment and market communication of at least two pilot products with particularly sustainable characteristics
Sphere of action: "Honest employee relations"				
	Occupational health and safety	Reduction of the TRIFR accident rate as part of the "zero accidents" strategy to a target level of ≤ 1.5 in 2021 given a long-term TRIFR target level of 1.0 by 2024	TRIFR accident rate: 0.8 (2020: 1.3)	Reduction of the TRIFR accident rate as part of the "zero accidents" strategy to a target level of ≤ 1.3 in 2022 given a long-term TRIFR target level of 1.0 by 2024

SDG	Topic	2021 target	Performance 2021	2022 target/medium term
	Training and development	Qualification and development of all employees: Increase the number of training and development courses to an average of two days per employee in 2021	**Total hours for education & development**: 37,012 (2020: 24,247) **Number of hours for training & development per employee:** 18 **(2020: 13)**	Qualification and development of all employees: Increase the number of training and development courses to an average of two days per employee in 2022
	Employment development	Demand-oriented recruitment of employees for AMAG's growth course and strengthening of the AMAG employer brand while retaining or reducing the employee turnover rate to < 6 %	**Employees (reporting date/individuals):** 2,080 (2020: 1,843) **Employee turnover rate:** 8.1 % (2020: 5.4 %)	Demand-oriented recruitment of employees for AMAG's growth course and strengthening of the AMAG employer brand while retaining or reducing the employee turnover rate to < 6 % in 2022
	Equal opportunities & diversity	Open approach to diversity and promotion of equal opportunities	**Proportion of women:** 15 % (2020: 14 %) **Discrimination cases reported:** None	Open approach to diversity and promotion of equal opportunities through - Making technical professions more attractive for women - Increasing the number of female apprentices in the industrial area to a share of 20 % by 2024 - Increasing the proportion of women in management positions (senior management) to the average proportion of women in the company by 2024
Sphere of action: "Responsible value chain management"				
	Raw materials	Continuous improvement of the ASI CoC management and procurement of sufficient ASI-certified and ASI-eligible raw materials in order to cover customer demand	**ASI Combined Audit Performance and Chain of Custody Standard**: Successfully performed Procurement of ASI-certified scrap and rolling slabs	Procurement of certified and sustainable raw materials to meet customer demand through - Procurement of at least 45,000 tonnes of ASI-certified aluminium in the form of rolling slabs and primary aluminium in 2022 - Increase in ASI-certified scrap - Increasing the yield and grade purity of chips in the context of closed loop recycling with AMAG components
	Recycling	Production growth while maintaining a scrap utilisation rate of around 75 – 80 %	**Scrap utilisation rate:** 78 % (2020: 78 %) **Aluminium scrap processed**: 341,200 t (2020: 289,300 t)	Production growth while retaining a scrap utilisation rate of around 75 – 80 %

SDG	Topic	2021 target	Performance 2021	2022 target/medium term
Sphere of action: "Commitment to environmental protection"				
	Energy & emissions	Continuous improvement of energy-related performance as well as reduction of specific CO_2 emissions taking into consideration the Austrian Energy Efficiency Act and national and European CO_2 reduction targets by: 1. Expanding the Group's own energy production by installing a photovoltaic system with a yield of approx. 6,000 MWh per year 2. Evaluating potential and optimising the supply chain with respect to CO_2 emissions 3. Updating the energy and environmental program taking account of new requirements as well as extending the value chain	**Specific energy consumption:** 1,179 kWh/t (2020: 1,194 kWh/t) **Commissioning of the largest rooftop photovoltaic system in Austria** **Overfulfillment of legal requirements in the area of energy efficiency** **Specific CO_2 emissions:** 0.168 t CO_2/t (2020: 0.168 t CO_2/t) **AMAG strategy for climate neutrality defined**	Continuous improvement of energy-related performance as well as reduction of specific CO_2 emissions taking into consideration the Austrian Energy Efficiency Act and national and European CO_2 reduction targets by implementing the AMAG decarbonisation roadmap: - Scope 1+2: Reduction in CO_2 emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production by 2040. - Scope 3: Reduction in average specific CO_2 emissions from the primary aluminium upstream supply chain by 20 % by 2030 (compared to 2018-2020) - Reduction of Scope 2 emissions through conversion to renewable electricity procurement at the two AMAG components sites
	Water	Efficient and economical usage of water; limiting specific water withdrawal to 6 m^3/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill	Specific service water withdrawal: 6.0 m^3/t (2020: 6.0) **Evaluation and quantification of potentials to reduce utilisation of service water**	Efficient and economical usage of water; limiting specific water withdrawal to 6 m^3/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill
	Waste	Avoidance or reduction of waste; production-specific waste volume < 16 kg/t	**Specific waste volume:** 15.5 kg/t (2020: 16.6 kg/t); **Improved waste management through new intermediate waste storage facility**	Avoidance or reduction of waste; production-specific waste volume < 16 kg/t at the integrated Ranshofen site
	Biodiversity	Promotion of biodiversity at the Ranshofen site	**Environmental incidents:** One incident reported **Implementation of the existing action plan in the biodiversity area**	Promotion of biodiversity at the Ranshofen site
Sphere of action: "Social engagement"				
	Community relations	Continuous and systematic analysis of stakeholder issues and expectations	**Donation and sponsorship expenditure:** EUR 87,000 (2020: 114,500)	Developing the region through community and social investment: Balanced scope of donations and sponsoring expenditure in the areas of education, science and research, social affairs, sports and culture in the vicinity of the company's headquarters
	Regional value creation	Promotion of local value creation	**Orders:** EUR 109.3 million in Upper Austria, of which EUR 64.7 million in the Innviertel region (2020 EUR 93.6 million in Upper Austria, of which EUR 49.1 million in the Innviertel region)	Promotion of local value creation

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

RESPONSIBLE CORPORATE MANAGEMENT

PERFORMANCE

- No compliance or human rights violations recorded
- Ongoing implementation of online training
- EU Taxonomy: Sustainability classification criteria met
- Renewed listing in the VÖNIX Sustainability Index of the Vienna Stock Exchange
- AMAG receives Vienna Stock Exchange Award in the "Mid-Cap" category

In order to be perceived as a trustworthy partner by shareholders, customers, business partners, employees and society, compliance with all relevant laws, voluntary commitments and internal regulations as well as fair competition are of the utmost importance.

COMPLIANCE

Compliance principles form the basis of fair business behaviour and lay the foundation for social dialogue, especially with suppliers and business partners. Breaches of laws and illicit and non-compliant behaviour can entail far-reaching social and commercial effects. Stringent compliance with the company's own and legal requirements is essential to ensure the trust of the stakeholders in the long term. Violations can lead not only to fines and loss of sales revenues, but also potentially to a loss of reputation. Data security issues are becoming increasingly important as information technology advances. Threats such as hacker attacks, data loss or the disclosure of confidential information pose significant risks to information security. **(GRI 103-1)**

2021 target

- Continuous further development of the compliance system: No violations

Management approach

AMAG is committed to the principles of the Austrian Corporate Governance Code, and consequently to responsible corporate governance and control systems oriented to delivering sustainable value creation. **(GRI 102-12)**

AMAG has a comprehensive compliance system encompassing guidelines, audits and training. Related regulations are contained in AMAG's guidelines on anti-corruption, data protection, commercial sales representatives, anti-trust and issuer compliance. The guidelines are reviewed annually in accordance with the internal control system (ICS), updated as necessary and distributed in a regulated process. In addition, training courses are offered in both face-to-face and virtual form. The AMAG code of conduct supplements the guidelines and forms an essential component of the compliance program. It covers topics such as fair and free competition, avoidance of conflicts of interest, protection of information and data, corporate policy, human rights and the reporting of misconduct. The code of conduct can be found on the company website together with the compliance regulations for suppliers. The compliance rules are communicated actively to all suppliers and integrated with the general terms and conditions of purchasing. AMAG's suppliers are expected to comply with these principles. **(GRI 102-16)**

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

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

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

AREA	Department responsible
Issuer compliance	Investor relations & legal
Anti-trust law	Legal
Anti-corruption	Legal
Code of conduct	Communication
Guidelines	Communication
Risk management	Management systems
Data protection	IT & legal
Export control and customs	Customs & foreign trade law
Internal audit	Controlling
Information security	IT

In addition, the Management and Supervisory boards are informed about the progress made in the refinement of the compliance system.

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

In the event of violations of laws and regulations, AMAG has a whistleblower system in place. AMAG employees can anonymously report misconduct and violations of laws or guidelines either directly via the compliance officer or via a compliance hotline (as well as violations of the code of conduct, internal regulations, statutory regulations). This service is available to both employees and the general public (email address: ethics@amag.at or telephone number: +43 7722 801 2227) and can also be accessed via the company website. All reports are processed anonymously and the identity of whistleblowers is treated confidentially. Compliance reports are handled via the hotline in the Legal and Communications departments. Furthermore, employees can contact the HR department directly in the event of violations.

The protection and security of personal data is an important matter for AMAG. Personal data are only collected, processed and used to the extent absolutely necessary for operational purposes. The handling of such data is subject to stringent legal regulations. The highest priority is placed on the technical protection of personal data against unauthorised access. AMAG has appointed a data protection team and data protection coordinators to implement and monitor regulatory requirements. Designated employees from the legal, project management, customs and foreign trade, as well as IT departments act as the data protection team and are the point of contact for all data protection coordinators appointed within the respective departments to coordinate data protection-related activities. The data protection team is also responsible for maintaining all data protection directories. In addition, company agreements on employee data protection and binding, internal data protection regulations as well as standard contractual clauses for the transfer of personal data were concluded with all sales subsidiaries, and processes for data subject rights and data breaches, including rules of procedure, were introduced. The data protection policy can be viewed on the AMAG website.

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

The objectives of the guidelines include:

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

The responsibilities and competencies for tax-related areas are clearly defined. The Management Board is responsible for the tax strategy, while the responsibility for tax compliance and implementation of tax strategies is delegated to the managing directors where the company concerned is responsible. The Management Board is informed on a regular basis about tax matters. The ongoing fulfilment of all tax law obligations is generally conducted with the involvement of the Group accounting department. For this purpose, the respective persons responsible create guidelines and, if necessary, work instructions. In addition, controls are performed and training is offered on a regular basis. Reporting on significant tax risks and positions to the Supervisory Board is conducted by the Group financial accounting department at least once a year. For AMAG, good cooperation with the tax authorities plays a decisive role. Open and transparent dealings are maintained with the tax authorities. All declarations and duties are submitted or paid on time. No influence is exerted over tax legislation. AMAG also does not maintain any group structures with the aim of aggressive tax planning or tax avoidance. It is also the case that no corresponding tax issues have been communicated in the context of discussions with stakeholders.

In order to identify possible misconduct and integrity in relation to taxes, a whistleblower system exists in the form of a compliance hotline which enables the anonymous reporting of suspected violations. Moreover, AMAG complies with all transfer pricing documentation requirements based on the international legislative framework (OECD Transfer Pricing Guidelines) and national statutory documentation requirements. The AMAG Group is not obligated to prepare a country-by-country report (CbCR). This is prepared by the B&C Group as the majority shareholder. **(GRI 207-1, 207-2, 207-3)**

Central measures

- Further development of the compliance system
- Reviews of legislative amendments: Evaluation of the whistleblower system according to expected legislation
- Ongoing evaluation of existing e-learning training courses
- Training courses for individuals working in confidentiality areas and participation in relevant events (compliance seminars, further training)
- Compulsory e-learning courses for all employees affected and in-depth training for data protection coordinators

In the 2021 reporting year, a number of measures were implemented to anchor the importance of ethics and compliance even more firmly throughout the company.

An internal working group consisting of the controlling, financial accounting and management systems departments dealt with the implementation of EU Taxonomy reporting. The taxonomy introduces classification criteria for sustainability within the EU for the first time, according to which economic/investment activities are classified on the basis of their sustainability. For this purpose, AMAG reports its share of taxonomy-relevant and non-relevant economic activities in terms of total revenue, total capital expenditure and operating expenses for the 2021 financial year.

The risk of compliance violations, including corruption risks, is identified through a systematic risk assessment. In the course of the compliance risk analysis, the three compliance areas of occupational health and safety, export compliance and public law (administrative law, and tax and duties law) were prioritised in 2021 and appropriate measures were taken. In the export compliance area, apart from the addition of export control training modules to the e-learning system, a compliance check with a focus on foreign trade and export control awareness raising measures were conducted at AMAG components in 2021. In the area of public law (administration, environment, taxes, duties, etc.), respective officers with appropriate qualifications have been appointed and a specialist department for tax issues has been set up. Corresponding guidelines and ongoing audits underpin the importance of this issue. The occupational health and safety area is covered by the specialist occupational health and safety department and transferred to a management system.

The compliance committee, where key compliance issues are discussed on an ad-hoc basis as required, convened for a total of three meetings and was reorganised via the internal Sharepoint System in 2021. At these meetings, care was taken to ensure that compliance standards are uniformly developed, applied and communicated. Direct communication on compliance issues occurred in the context of meetings of the Management Board and of the Supervisory Board's Audit Committee, and regular coordination between the Issuer Compliance Officer and the Management Board.

Mandatory training, which was primarily online-based, formed a key element in avoiding compliance violations. Ongoing information discussions were held internally in the area of issuer compliance and the capital market, and regular updates were provided on the subject of issuer compliance. This includes the annual issuer compliance information meeting with the Management Board and the management teams. Issuer compliance training was held for 18 employees newly assigned to confidentiality areas. Furthermore, a video was created as initial information on the topic of issuer compliance, which is made available to all new employees via the e-learning system. In the future, this video will replace the issuer compliance information on the first working day. The annual revision and distribution of the Issuer Compliance Guidelines represented a further measure.

The subject of anti-corruption was addressed by the legal department as part of audit projects and enquiries from employees (e.g. participation in events, acceptance of gifts). Required documents and guidelines have been checked to ensure that they are up-to-date and in compliance with legal requirements. Furthermore, the procedure for association meetings and the related revision of the anti-trust guidelines was elaborated.

In 2019, the "EU Directive on the protection of persons reporting infringements of Union law" was adopted with corresponding implementation provisions. At present, no specific implementation steps on the part of the Austrian legislator regarding this EU directive are known. The existing compliance hotline fulfils the requirements of the EU directive; implementation in national law is pending.

AMAG's face-to-face communication activities with investors at various conferences and events were predominantly carried out in virtual form due to the ongoing COVID-19 pandemic, as well as in the light of the positive experience the company has had with digital events. AMAG Austria Metall AG held its tenth Shareholders' General Meeting in virtual form at the company's headquarters in Ranshofen on April 13, 2021. All items on the agenda were dealt with and resolutions were passed by a large majority, including the payment of a dividend of EUR 0.50 per share.

In the 2021 reporting year, work was carried out on the integration of AMAG components into AMAG's compliance system and the distribution of e-learning training courses (corruption prevention, anti-trust law, issuer compliance) was advanced.

In the data protection area, IT security patrols and random checks were performed to ensure the correct handling of confidential information. In 2021, priorities of the information security management system included the continuous improvement and handling of information security measures. Regular reviews in the form of audits and recertifications ensure that information security processes and measures are adhered to. In the year under review, the monitoring audit for the ISMS (Information Security Management System) according to ISO 27001 was successfully passed. In addition, work was carried out to enhance IT security in the production-related environment, IT emergency management was revised, and training courses were held to raise employee awareness concerning IT security.

Results

In the 2021 reporting period, no reports were submitted via the compliance hotline or to the relevant departments. Furthermore, no proceedings due to anti-competitive behaviour or violations of anti-trust and monopoly law were reported or ascertained at AMAG. Moreover, no fines were paid due to non-compliance with laws and regulations in the social and business area in 2021. **(GRI 419-1, 206-1)**

For the 2021/2022 period, AMAG has once again been listed in the VÖNIX, the sustainability benchmark of the Vienna Stock Exchange's Austrian stock market. This index comprises those Austrian companies that rank as leaders in terms of social and ecological performance. The VÖNIX is based on measurement of corporate sustainability. AMAG has been consistently included in the VÖNIX since the 2014/2015 rating.

In addition to celebrating its 10th anniversary on the stock exchange, AMAG was also pleased to win the Vienna Stock Exchange Award in the "Mid-Cap" category. With this award, the Vienna Stock Exchange confers an annual honour on listed Austrian companies for leading performance. Especially the high quality of AMAG's investor relations and its transparent capital market communication proved persuasive to the jury of experts.

Furthermore, analysts and investors confirmed the quality of AMAG's sustainability reporting. The "Effective Sustainability Communicator Award 2021" was presented at the annual conference of the Cercle Investor Relations Austria (CIRA). Annual reports, capital market presentations and web presences in the investor relations area were used, among other criteria, in order to assess the performance of ATX companies in the area of sustainability reporting. AMAG impressed with its holistic and transparent sustainability reporting, and achieved first place among all participating ATX companies.

AMAG's sustainability activities are evaluated on a regular basis by external organisations such as rating agencies. The ratings provide investors and customers with a basis for decision-making and help to continuously review and, if necessary, supplement sustainability activities. In July 2021, AMAG received an ESG risk rating of 22.6 from rating provider Sustainalytics and was thereby classified as at a medium risk of being exposed to material financial impacts from ESG factors. The ESG risk rating ranks AMAG in second place within the aluminium sub-industry out of a total of 33 aluminium companies assessed. The assessment is made in relation to factors identified as material ESG issues for an industry, such as environmental performance, resource conservation, human rights compliance and supply chain management. **(GRI 103-3)**

Further targets and next steps

- Target: Continuous further development of the compliance system: No violations
- Next steps: Continuous further development of training activities within AMAG; ensuring rapid forwarding of information in the event of regulatory changes; verification of compliant actions within AMAG through unannounced reviews; further integration of AMAG components into the compliance system

HUMAN RIGHTS AND RESPONSIBILITY IN THE SUPPLY CHAIN

As a core element of responsible corporate governance, AMAG respects and promotes compliance with human rights, both within its own company and in the supply chain. Employees are treated according to the principle of equal opportunities without distinction on the basis of race, colour of skin, gender, religion, membership of a group, origin or other status. Suppliers and business partners are expected to comply with the same high standards as AMAG in relation to human rights. AMAG thereby acknowledges its responsibility to respect internationally applicable human rights, and also takes into account non-financial criteria such as environmental and safety standards and respect for human rights when selecting suppliers and business partners. **(GRI 103-1)**

2021 target

- Adherence to principles of human rights at AMAG and at its suppliers

Management approach

Overall responsibility for compliance with human rights lies with the Management Board. Human rights aspects are implemented by the respective departments and monitored during the year, including as part of the purchasing process, and they are reported internally in the context of the sustainability committee. For example, the human resources department deals with human rights issues relating to labour law, while the purchasing departments are responsible for managing human rights aspects within the supply chain.

Managers have a special role model function in this respect. They exemplify the values and bring them to bear in day-to-day management. Internal regulations and company agreements (code of conduct, works agreement on working time regulations, wage and salary regulations, guidelines on the use of information technology) promote respect for employee rights and are intended to prevent discrimination. A corresponding feedback culture (including through the annual employee appraisal discussions) has been established. AMAG also attaches great importance to the protection of personal data (Group-wide data protection guidelines, works agreements, data protection declaration).

The following international standards are endorsed:

- The ILO Declaration on Fundamental Principles and Rights at Work, in particular non-participation in child labour, forced labour or debt bondage
- The UN Guiding Principles on Business and Human Rights
- The Aluminium Stewardship Initiative (ASI). As a founding member, AMAG actively contributes to sustainability and transparency along the aluminium value chain and promotes the implementation of responsible practices. The upholding of human rights is one of the requirements of the ASI and this is examined and monitored in the course of ASI certification.

The standards and values anchored in the aforementioned international standards are equally reflected in AMAG's guidelines and procedural instructions, and form the binding framework for action for employees, business partners and suppliers:

- Code of conduct: This describes how AMAG and all its subsidiaries should deal with the special responsibility they bear towards society as well as towards their business partners, shareholders and employees, and it supports employees in conducting their activities in a morally, legally and ethically impeccable manner. All employees and managers are responsible for ensuring that they act in accordance with the code of conduct. The AMAG code of conduct is distributed to employees via an e-learning training course for their information and compliance. It includes a final self-test. Practical instruction on correct behaviour is provided on the basis of case studies surrounding the code of conduct (e.g. bribery, anti-trust law, data protection, conflicts of interest as well as discrimination and harassment).
- Procedural instructions – "Responsible Procurement Management": A systematic approach is pursued along the supply chain with the aid of responsible procurement management in order to avoid human rights violations as far as possible. The companies' respective purchasing departments follow a systematic approach which examines key suppliers (scrap, primary metal, rolling slabs, metal alloys, dross and energy suppliers) for compliance with human rights on a risk basis. The supplier rating is based on a point system that evaluates four areas. The total number of points of the supplier scores in the total risk. The first area includes confirmation of compliance rules for suppliers. Subsequently, a risk classification is performed at the country level and countries are categorised as low, medium, high and crisis risk countries. The further assessment includes certifications and focus issues related to compliance with human rights, labour and social law, origin of goods, environmental protection and employee health. Risk reduction measures are to be defined and correspondingly evaluated for suppliers in the "high risk" category. Depending on the risk ascertained (high, medium, low), the relevant suppliers must be reassessed every 1 to 3 years.
- Compliance rules for suppliers: The basic sustainability requirements of supply chains with respect to management, human rights, occupational health and safety, environmental protection and energy efficiency, among other areas, are defined in the compliance rules for AMAG suppliers. The principles defined with regard to human rights include the right to form or join independent union representation, fair treatment of employees with respect to suitable working times, regular holidays and performance-related remuneration. They are available on the AMAG website and are integrated into AMAG's general terms and conditions of purchase. In recognising the compliance rules, suppliers are expected to actively drive the implementation of the sustainability requirements defined in them in their own particular supply chains. In the event of a violation, the contract with the supplier may be terminated early on exceptional grounds with immediate effect, or the company may withdraw from the contract.

AMAG also strictly adheres to export compliance regulations and relevant provisions of the Austrian Foreign Trade and Payments Act. Furthermore, a system-supported sanction check is performed (to ascertain whether economic sanctions or an arms embargo exist in relation to the business partner or the recipient country). **(GRI 103-3, 103-2)**

Central measures

The issue of human rights due diligence, particularly in the supply chain, has gained momentum in recent years. A European supply chain law, the preparation of which is progressing, sends a clear political signal in this context. This cross-industry set of rules aims to encompass social, environmental and human rights due diligence requirements within the supply chain. At the end of 2021, the EU Commission will present a legislative proposal on due diligence for the protection of human rights and the environment in the supply chain, and define a legal catalogue of criteria for companies' due diligence obligations. AMAG is already well positioned in this respect thanks to responsible procurement management, which was implemented in 2018 as part of ASI Performance Standard certification. **(GRI 412-2)**

Responsibility for human rights as well as a human rights position were anchored within human rights training in 2021, which is imparted via the e-learning system. This training aims to raise internal awareness of human rights issues. Departments that deal with human rights issues – especially Human Resources, Sales, Purchasing and Communications – receive information and recommendations for action in relation to human rights both within AMAG and along the supply chain. As of December 31, 2021, 96 individuals out of a total of 112 employees involved with human rights policy had completed this training. **(GRI 412-2)**

In the course of a risk evaluation, key suppliers with which a business relationship exists were again assessed in 2021 and discussions were held with suppliers on the importance of ESG issues.

Results

Any violation of human rights or applicable law can be raised via the compliance hotline. In 2021, no violations of human rights were reported by suppliers or employees. In the course of the risk assessment of key suppliers in the upstream supply chain (metal alloys, scrap, primary aluminium and rolling slabs), no suppliers were identified as high risk. More than 95 % of the procurement volume was purchased from low-risk suppliers. **(GRI 103-3)**

Further targets and next steps

- Target: Adherence to principles of human rights at AMAG and at suppliers by creation of a human rights brochure and involvement of AMAG components in responsible procurement management
- Next steps: Continuous risk assessment of suppliers, improvement of complaint mechanisms for employees and external parties, designation of a focal point for human rights and mandating of a cross-departmental working group with clear reporting lines to the respective management

SOLID CUSTOMER RELATIONSHIPS AND INNOVATIVE PRODUCTS

PERFORMANCE

- Rising demands on R&D and testing technology due to increasing specialisation, as well as complex products and rising customer requirements
- 148 employees working in the R&D and Innovation department
- AMAG supplies certified sustainable aluminium to Audi: First outer skin delivery for the Audi A6 model series
- AMAG components: Sustainable value creation with improved carbon footprint
- Recertifications of the management system (occupational health and safety, energy, quality, environment): Excellent quality of the management system externally certified

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

- The manufacture of products that promote the use of aluminium and its sustainable development
- The deployment of R&D and technology to ensure optimal operation and to enhance product quality
- The development of new recycling technologies and the further development of existing recycling technologies in order to make optimum use of materials (including alloy-to-alloy recycling)
- Increasing the share of specialty products for tailor-made customer solutions through process and alloy development
- The improvement of process stability, productivity, costs and safety through the use of digital opportunities

INNOVATION

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

AMAG's innovation and R&D activities are the driving force behind greater competitiveness and the development of customer-specific solutions as part of its strategy of profitable growth. Many of the product innovations directly or indirectly address current and global social and ecological topics such as fossil resource shortage, recycling, climate change and mobility. Special attention is paid to solutions that enable closed loop concepts with customers as well as alloy-to-alloy recycling, or allow recycling-compatible alloys and cross-over alloys, reduce environmental impacts (e.g. lightweight components) and offer new as well as improved application possibilities. **(GRI 103-1)**

2021 target

› Increase of AMAG's specialty products share by 1.5 % (shipments in tonnes) per year; research transfer and increase in the depth of scientific research through an annual number of at least three new dissertations and at least 12 ongoing dissertations

Management approach

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

The focus in the casthouse is on recycling, metallurgy, metal analysis and casting technologies. In the rolling mill, priorities include sector-specific material and process development, process optimisation and materials testing. The accredited testing centre with its departments for special assignments, chemistry/surface technology, materials testing and environmental measurements not only delivers the test results required but also the data necessary for assessing R&D test results.

AMAG is supported by a science and technology advisory board in its further development of products and processes. The advisory board has been an important companion of AMAG since 2008 and is composed of eight professors from various universities (ETH Zurich, JKU Linz, University of Leoben, Vienna University of Technology, Graz University of Technology, and the Max Planck Institute in Düsseldorf). The experts on the advisory board support scientifically oriented projects and assist AMAG with technical topics. Equally, members study current technical literature and communicate concerning important publications, scientific and technological developments and trends, or patent applications. The science and technology advisory board, which meets every six months, develops measures to promote innovation, which are taken into account in AMAG's R&D strategy, among other areas, and their implementation is monitored on an ongoing basis.

Research partnerships range from basic research and conventional contract research to specific product development. AMAG supports bachelor's and master's degree projects and dissertations, is a member of the Christian Doppler Society for Advanced Aluminium Alloys and participates in several COMET centres of excellence (Materials Center Leoben, AC²T). Last but not least, an endowed professorship at the University of Leoben is being financed and work is ongoing in several working groups throughout Europe in the materials development area. Such measures serve to develop both expertise and personnel. Two post-graduates were again recruited as R&D staff at AMAG last year. Further partnerships exist with the University of Leoben, the technical universities of Vienna and Graz, ETH Zurich, Friedrich-Alexander University of Erlangen-Nuremberg, Johannes Kepler University Linz, University of Salzburg, LKR Light Metals Centre of Excellence in Ranshofen, the FELMI-ZFE Institute for Electron Microscopy and Nanoanalytics – Austrian Centre for Electron Microscopy, Technical University Bergakademie Freiberg and the Max Planck Institute for Iron Research in Düsseldorf. These alliances are continuously deepened in the context of long-term projects.

Global partnerships have also been established in the testing technology area, and are utilised consistently. Important activities include participation in committees, working groups and research projects initiated in this context, such as at European Aluminium (EA), the German Aluminium Association (GDA), the German Materials Society (DGM), the German Aerospace Industries Association (BDLI), Hydrogen Europe, and in various standardisation bodies, such as the Austrian Standards Institute (ASI), the German Institute for Standardisation (DIN) and the Austrian Society for Non-destructive Testing (ÖGfZP). The extensive digitalisation of processes is being evaluated and further developed on the basis of a flagship project (smart factory testing technology).

AMAG's innovation success is measured by the number of new customers or new orders for which new applications for AMAG's products have been developed, and constantly monitored by the share

of specialty products in its sales. Successful innovations are also characterised by the optimisation of alloys, and they help to raise materials efficiency (best possible utilisation). **(GRI 103-2)**

Central measures

- Digitalisation and automation in materials testing
- Driving digitalisation through statistical analysis using cloud computing, big data and machine learning, as well as material tracking
- Collaboration with institutes in projects lasting several years and expansion of the scientific network
- Targeted promotion of dissertation candidates to foster loyalty to the Group over the long term
- Developing specialty products and efficient production processes
- Tapping new applications for AMAG products
- Science and technology advisory board: New member with AMAG components agendas
- AMAG Innovation Award 2021 relating to the promotion of the quality of R&D and technology

As a premium manufacturer with a strong focus on specialty products, AMAG places particular reliance on research and innovation as well as development in long-standing partnership with customers and universities. To facilitate the transfer of research and increase the depth of academic research, dissertation candidates are continuously supported.

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

In 2021, employees who came up with innovative ideas were once again rewarded in the form of the AMAG Innovation Award. The winning project in the "Product" category relates to a highly formable sheet material that is particularly suitable for the production of battery trays for electromobility. It thereby makes a valuable contribution to the use of aluminium in electric vehicles – AMAG now has a further product in its specialty product portfolio. The winning project in the "Process" category concerned the establishment of a high-performance and efficient melting process for contaminated scrap in a rotary tilting furnace, in which the energy released by organic impurities is used to melt the aluminium and thereby lowers the total gas consumption of AMAG. In addition, a special prize was awarded for the AMAG-SPRING (Special Product Report with Integrated Genealogy) project in the area of digitalisation. This application, which was specially developed by AMAG, provides a comprehensive and general overview of all products manufactured, including all key manufacturing parameters and the manufacturing history from the melting furnace to the packaged product, including test results.

In 2021, work was carried out together with the science and technology advisory board on the reformulation of the R&D strategy, which will be valid from 2022. While alloy-oriented process and material development continues to form the backbone of AMAG's R&D strategy, the digitalisation area has now been given its own focus with detailed strategic directions.

Together with the B&C Private Foundation, a further alliance agreement was signed with the Chair of Nonferrous Metallurgy at the University of Leoben in 2021. Associated with this is the funding of an "Aluminium Microstructure Analysis Gainhub (AMAGh)" to further bolster aluminium research in Austria. In line with the endowed professorship already established in recent years, this investment will once again support the advancement of highly qualified researchers to post-doctoral level as well as an excellent research infrastructure, enabling AMAG research topics to be addressed at the highest level at the Chair of Nonferrous Metallurgy. The focus of this alliance is on research into the microstructure of aluminium in order to be able to control its properties in further processing and applications. The alliance agreement provides for a financial contribution from the two foundation partners AMAG and B&C in the amount of more than one million euros over the seven-year period.

In the digitalisation area, the implementation of AMAG's big data strategy was further advanced with the connection of large process plants (casting plants, rolling mills, continuous heat-treatment furnaces, etc.). The requisite process structures were established both substantively and in terms of personnel, and the first data analyses were carried out. The project has already achieved its first successes in terms of productivity enhancement. For example, big data enables factors influencing the casting process to be identified that had not previously been recorded but are an indicator of slab quality.

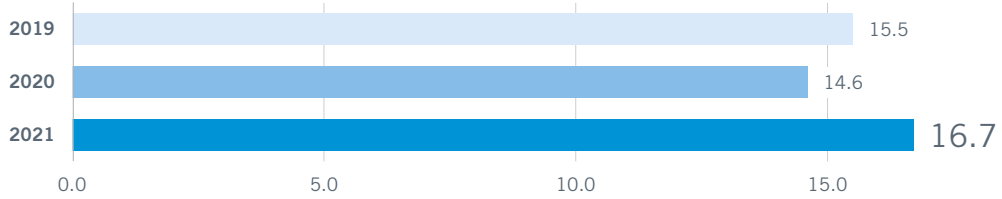
Further major steps towards digitalisation and smart products include tamper-proof quality results within the blockchain methodology and the patented coilDNA labelling technology. With the former, just a smartphone and a freely accessible web interface can be used to verify the authenticity of the material and its AMAG inspection certificate. In the case of the latter, not only does it go one step further by verifying the unit as an entirety, but any strip of sheet metal a few centimetres long is sufficient to determine its exact origin, including its position on the strip. Both allow for unforgeable, exact proof of manufacture of AMAG's quality products.

Digitalisation was also advanced in the area of facility management, and software tools were installed that enable the recording of infrastructure facilities as well as the definition, processing and control of necessary tasks for these facilities. This makes it possible to retrieve the maintenance status of all digitally recorded equipment in order to check the completion of all tasks at any time.

Results

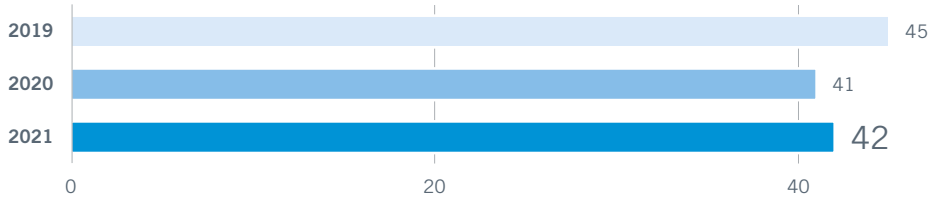
In the 2021 reporting year, the scientific and technological advisory board was expanded in relation to AMAG components. Going forward, a new member provides support in the area of the machining of aluminium and titanium.

Research and development expenditures in EUR million



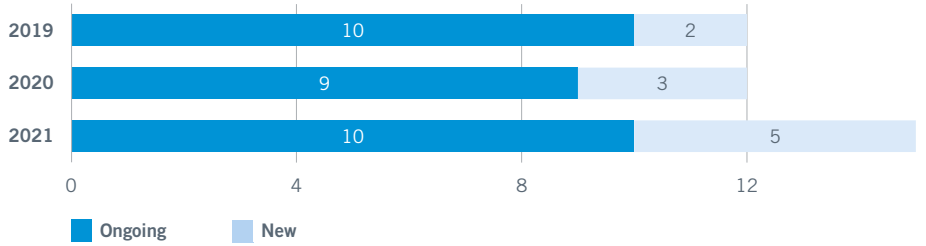
Innovations form the basis of the company's success. With 148 employees (as of December 31/individuals) in research and development, and expenditures in this area of around EUR 16.7 million (2020: EUR 14.6 million), the AMAG Group is positioning itself as an innovation leader. This strength will be further expanded by integrating research and development more closely, incorporating customer requirements to a greater extent into innovation processes, and expanding cooperation with customers and external partners.

Share of specialty products in % of shipments



AMAG reports a current share of specialty products of 42 % (2020: 41 %).

Number of dissertations supported



The ongoing supervision of dissertations, master's and diploma theses, and bachelor's theses forms one pillar in the recruitment of academic experts. AMAG's objective is to start supervising three new dissertation projects each year. In particular, by supervising final theses, potential young talent can be tied to the company at an early stage and the proportion of graduates can be kept consistently high. In the 2021 reporting year, the graduate rate at Ranshofen remained unchanged at 11 %, while at AMAG components it stood at 9 %. A total of ten ongoing dissertations are being supervised at the CMI (Center for Material Innovation), while five were started. Two former doctoral students were recruited as new employees for AMAG. They continued their work in the same field, among other areas. Where necessary, follow-up dissertations on important topics have already been started. AMAG is thereby within its target range of 12 ongoing dissertations. **(GRI 103-3)**

Further targets and next steps

- Targets: Increase of AMAG's specialty products share by 1.5 % (shipments in tonnes) per year; research transfer and increase in the depth of scientific research through an annual number of at least three new dissertations and at least 12 ongoing dissertations
- Next steps: Continuation of the industrialisation of previous developments, further training of employees in the patent area and establishment of clear structures with regard to patenting requirements

CUSTOMER RELATIONSHIPS AND CONSISTENT CUSTOMER ORIENTATION

With regard to customers, AMAG aims to continue to be an attractive partner that meets their requirements. In order to respond flexibly and precisely to market requirements and to be able to differentiate itself from competitors, the organisational structure is constantly being developed further. In addition, processes are being simplified and digitalised to work more effectively, efficiently and agilely. The business focus is on the production of first-class aluminium products with the smallest possible carbon footprint. AMAG covers the entire aluminium value chain from primary aluminium to finished aluminium rolled products and recycled cast alloys. This enables the company not only to talk about scrap content, but also to prepare calculations of net carbon impact including primary aluminium production. At the customer's request, for example, it is possible to obtain the required primary aluminium from the Canadian Alouette smelter, which generates the electricity for the smelter from hydroelectric power.

Aluminium is a material which is used and processed in a multitude of sectors thanks to its numerous positive properties (weight, stability, formability, etc.). AMAG's customers are active in industries such as the transport industry with a focus on the aircraft and automotive sectors, construction and mechanical engineering, sporting goods, electronics and the packaging industry as well as renewable energy generation. Sustainable long-standing customer relationships create a trusting basis for collaboration and the expansion of business relationships. AMAG works closely with customers on new product development. Such ongoing development work and the long-term nature of the partnerships concerned thereby form the basis for the company's sustainable growth. **(GRI 103-1)**

2021 target

- Acquisition of new customers and long-term retention of existing customers by deepening understanding of customers and providing high-quality aluminium products produced in a sustainable manner
- Shipments of 20,000 tonnes of ASI-certified aluminium

Management approach

Customer expectations are crucial to AMAG's production, service and quality. Accordingly, AMAG has set itself the goal of further deepening its understanding of customer requirements and customer relations. The company thereby aims to improve its processes and performance and to prove compelling and convincing to customers through excellent service.

Strategically, AMAG is very well positioned and covers various sectors with an extremely widely diversified product portfolio. All aluminium alloy families are produced at its Ranshofen facility. Consequently, AMAG is in a position to supply its customers with bespoke specialty products for a wide variety of applications. The integrated Ranshofen site with recycling, casthouse and rolling mill, combined with a primary metal base secured through the interest held in Alouette in Canada, enables customer needs to be quickly and flexibly met. Sales are handled via AMAG's headquarters in Ranshofen and supported by the sales offices. AMAG components marks the expansion of AMAG's product portfolio into components and ready-to-install parts made of aluminium and titanium for the international aircraft industry. The combination of the casthouse and rolling mill in Ranshofen with mechanical production at the two AMAG components sites in Übersee and Karlsruhe, coupled with AMAG's high level of recycling expertise, is unique worldwide.

All companies have set up quality management systems that serve the continuous review and improvement of customer satisfaction. The AMAG management system is regularly certified. Ongoing audits represent an important tool to identify risks and potential improvements. AMAG's special strength lies in its employees' creative potential and commitment. The Continuous Improvement Process (CIP) gives them the opportunity to play an active role in shaping working processes. The CIP organisation within the AMAG Group is based on efficient teams. The various activities of the CIP teams are brought to the attention of all employees via various communication channels and instruments such as notice boards, the intranet, regular newsletters and CIP events based on a standardised reporting system. The suggestions for improvement are collected and processed in a central database. Administrators ensure that suggestions are systematically evaluated and processed. In case of positive

evaluation of the idea, a bonus based on the expected benefit is paid. This actively promotes a culture of change and constant improvement.

In order to consolidate and deepen customer relations, AMAG relies on a "Customer Relationship Management (CRM)" solution. Since 2015, the Net Promoter System has been used to improve product quality, problem-solving skills and delivery reliability based on customer feedback. This internationally recognised methodology measures on a scale of 0-10 the extent to which customers would recommend AMAG to others.

A further focus is on the development of alloys and processes. Particular attention is paid to ensuring that this gives rise to specialty products which meet sustainability criteria. In addition to the direct exchange that takes place in customer discussions, communication instruments such as independent surveys and stakeholder discussions at trade fairs and events are used to take customer demand into account. **(GRI 103-2)**

AMAG offers customers brand products meeting the highest requirements, including, among others, AMAG AL4®aero, AMAG AL4®architecture, AMAG AL4®automotive, AMAG AL4®brazing, AMAG AL4®defense, AMAG AL4®consumer electronics, AMAG AL4®foundries, AMAG AL4®grip, AMAG AL4®packaging, AMAG AL4®tooling, AMAG AL4®transport, AMAG AL4®trims, AMAG AL4®sports, and AMAG AL4®Zn smelters. **(GRI 102-2)**

Central measures

- Extension of the value chain in the aircraft sector
- Implementation of further steps as part of the AMAG specialties strategy
- Making further progress with customer qualifications and focus on customer demands

In addition to machining complex geometries from aluminium and titanium, AMAG components' specialties also include assembly expertise. With production facilities in Übersee at Lake Chiemsee in Bavaria and in Karlsruhe, AMAG components currently offers customers more than 260,000 production hours or, depending on the component geometry, around 100,000 parts per year. AMAG components machines components ranging in length from 150 mm to 7,000 mm on more than 50 machining centres, some of which are customised. Optimising the value chain by improving the use of materials and closed loop recycling perfects the buy-to-fly ratio and minimises the products' carbon footprint. Close coordination and intensive exchange of information between the AMAG components finishing plant and the rolling mill in Ranshofen also improve the quality of the rolled aluminium plates. At the same time, direct deliveries to AMAG components aim to increase the utilisation of AMAG's plate production capacity and strengthen its strategic position with key aircraft sector customers.

In the 2021 reporting year, the contract of Chief Sales Officer Victor Breguncci, who has been a member of the AMAG Management Board team since June 2019, was extended ahead of schedule for a further four years. As part of managing sales agendas, he will concentrate together with his sales team on the strategic development of existing and new markets as well as on optimising the product portfolio in the market for high-quality aluminium products. In addition, new positions were created in the sales area to best respond to customer requirements – including the identification and development of new products, applications and markets, and to strengthen and expand AMAG's market share in North America.

The central importance of quality management is reflected in the fulfilment of numerous industry and customer-specific quality standards. AMAG completed key management system recertifications in the areas of quality management (ISO 9001), quality management in the aircraft industry (AS/EN 9100) and in the automotive industry (IATF 16949), environmental management (ISO 14001), energy management (ISO 50001) and occupational health and safety (ISO 45001) in the spring of 2021. The recertification audits were conducted partially on-site and remotely online due to the COVID-19 pandemic. The successful completion was special insofar as no deviations were ascertained during the audits cited.

As part of plant renewal, the existing cold rolling mill in Mill 1 was modernised. This represents an investment in product quality and also contributes to supply security. For example, improved product quality results were achieved thanks to the new gauge and flatness control system and the new process automation. The modernisation also contributes to supply security, as two state-of-the-art cold rolling mills are now in operation again.

Furthermore, AMAG worked systematically on its strategic pillar of "Sustainability". The "ASTRA" project (Accounting of Sustainability Tracking, Reporting and Analytics) should make it possible in the future to create so-called "Environmental Product Declarations" based on partially automated carbon footprints. In the current, important debate on the subject of climate protection, the calculation of the net impact of a product's CO_2 emissions holds a prominent role.

With its recently acquired certification to the ASI Chain of Custody Standard, AMAG can offer its customers certified aluminium with the involvement of the entire supply chain – from bauxite mining

to AMAG semi-finished products. The specialty products portfolio has thus been expanded to include products which originate from a demonstrably responsible supply chain.

AMAG's customer offerings are supplemented by AMAG products that stand out for their high scrap utilisation rate and associated extremely low CO_2 emissions. These forward-looking product features enrich AMAG's specialties portfolio and make it possible to address all customer requirements in terms of sustainability. In order to meet customer requirements even better, AMAG is working on its product lines to ensure the smallest possible carbon footprint. For this reason, AMAG is continuously investing in the expansion of separation and sorting technologies. Depending on the alloy, it is thereby possible for AMAG to offer products that have a high scrap content compared to standard products, which are mostly manufactured from primary material.

AMAG did not participate in any specialist trade fairs in the 2021 reporting year due to the COVID-19 pandemic.

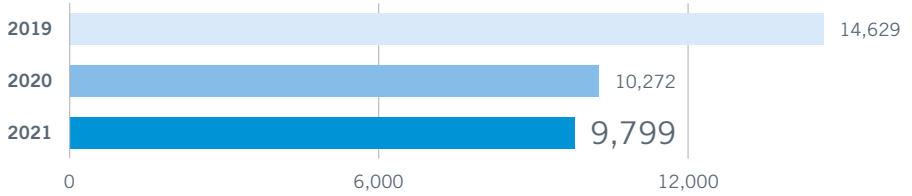
Results

The Net Promoter Score (NPS) introduced to measure customer satisfaction was conducted again in autumn 2021. The NPS increased slightly compared to the previous year, reflecting the satisfactory trend this year. In total, over 500 customers were contacted and a response rate of around 30 % was achieved. Customers particularly emphasised AMAG's stability in terms of long-term partnerships, the quality of its products and its ongoing product development against the backdrop of the COVID-19 pandemic. AMAG is perceived as a sustainable company by both trade and OEM/Tiers customers.

A pleasing trend in shipment volumes was recorded in the 2021 financial year. In the 2021 reporting year, the Rolling Division shipped around 227,800 tonnes (2020: 198,900 tonnes) of high-quality aluminium products from the Ranshofen site, while the Casting Division shipped around 89,600 tonnes (2020: 81,700 tonnes). Almost all shipment segments of the Rolling Division registered a positive performance. Demand for aluminium in the aircraft industry remained subdued. The relevant market for the Casting Division relates mainly to Western and Central Europe. The automotive sector, including its supplier industry, represents the division's largest customer industry. Demand for automobiles in the European Union improved significantly following significant reductions in the previous year.

The first AMAG aluminium certified in accordance with the international Chain of Custody Standard of the Aluminium Stewardship Initiative (ASI) was delivered to Audi in Neckarsulm in 2021. The material produced in accordance with this stringent sustainability standard is deployed in the outer skin of the trunk lid of the Audi A6 Avant. For AMAG, this order not only represents the first-time shipment of ASI-certified material, it also marks the company's entry as an outer panel supplier for this model series. The shipment target of 20,000 tonnes of ASI-certified aluminium set for 2021 was not achieved due to the fact that most of the supply chains were not fully certified. In the automotive sector, however, ASI certification in some cases already represents a new award criterion. Sales in this customer segment advanced for this reason.

Number of CIP suggestions submitted



In 2021, a total of 9,799 suggestions for improvements were submitted. The implementation rate stood at 78 %. A major focus was on the topic of "product quality", for which specific workshops were held. Due to the COVID-19 pandemic, some CIP meetings and workshops could be held only under difficult circumstances. Training on waste as well as learning problem-solving methods, which could not be held in 2020 due to the COVID-19 pandemic, was targeted in 2021. **(GRI 103-3, 103-2)**

Further targets and next steps

› Target: Acquisition of new customers and long-term retention of existing customers by deepening understanding of customers and providing high-quality aluminium products produced in a sustainable manner through establishment and market communication of at least two pilot projects with particularly sustainable characteristics

HONEST EMPLOYEE RELATIONS

PERFORMANCE

- Extensive COVID-19 measures implemented to protect employee health
- TRIFR accident rate: Very good performance at 0.8, below the target of < 1.5 in the 2021 reporting year
- AMAG awarded the seal of approval for workplace health promotion for the fifth time in succession
- Personnel availability increasingly influences future business growth and development
- Headcount increased to 2,080 employees (reporting date/headcount) due to integration of AMAG components (2020: 1,843)

AMAG's employees are the key to the successful implementation of the corporate strategy. Mutual appreciation, trust and fairness in dealing with employees form the cornerstones of business activity. AMAG aims to be an employer of choice through continuous further development in the areas of occupational health and safety, as well as tailored training and education programs. An open communication culture and the consistent involvement of employees, including through recurring employee satisfaction surveys, are key components of AMAG's personnel policy. AMAG's aspiration is to position itself as an employer of choice in the face of competition for talent and changing skills profiles.

OCCUPATIONAL HEALTH AND SAFETY

As one of the largest employers in the Innviertel region, AMAG has a special responsibility towards its employees. Two thirds of the workforce are engaged in production. For this reason, maintaining mental and physical health as well as performance is particularly important. In addition to risks to the health of their employees, a functioning occupational health and safety scheme can also help companies reduce risks to their reputation. As a consequence, both companies and their employees can benefit equally from a safe working environment. **(GRI 103-1)**

2021 target

- Reduction of the TRIFR accident rate as part of the "zero accidents" strategy to a target level of ≤ 1.5 in 2021 given a long-term TRIFR target level of 1.0 by 2024

Management approach

AMAG considers it its duty to ensure and continuously improve the health and safety of all its employees in compliance with statutory regulations. The aim is to systematically identify, analyse and evaluate potential hazards with the involvement of all employees as part of a "zero-accidents" strategy and to eliminate accidents by means of suitable measures.

The Management Board and company management are responsible for performance in this area. Their task is to set strategic goals and ensure continuous improvement. Occupational health and safety forms part of the management systems area and is based on four pillars:

- Workplace evaluation: Records and documents all workstations and operations, maintenance and repair work, emergency and rescue operations, including preparation of evaluation documentation
- Incident/safety audit database: Notification of occupational accidents including recording and reporting, risk assessment as well as training, definition of measures and implementation of effectiveness review
- Legal compliance: Compliance with legal requirements in the area of occupational health and safety, including the establishment of an internal occupational health and safety organisation that complies with both legal and normative requirements, as well as integrated contractor/access management
- Machine safety: Compliance with and implementation of laws (in particular requirements of CE directives such as the Machinery/Low-Voltage Directive) based on a relevance test and harmonised standards

Extensive safety instructions and training measures, safety audits, and workshops as part of the Continuous Improvement Process (CIP) are of assistance in achieving the targets. Regular occupational health and safety committee meetings contribute to this process, in conjunction with occupational health and safety guidelines and safety instructions. Processes and standards in the area of occupational health and safety are aligned with the requirements of the EN ISO 45001 international occupational health and safety management standard, certified and integrated into the existing management system. It is a matter of great concern to AMAG that all external companies working at the company headquarters also operate as safely as possible. Safe collaboration with employees of external companies is regulated by a digital security briefing with a test for understanding (test in digital form), which must be verifiably carried out by the operational employees of the external companies. The central principles and requirements relating to work safety and human rights are described in the compliance rules for AMAG suppliers. Leased employees are treated as the company's own employees in accordance with legal requirements.

To minimise hazards, the causes of recorded incidents (near-accidents, accidents, hazardous situations) are analysed on an ongoing basis. The implementation of the countermeasures taken as a consequence is regularly reviewed for effectiveness. Incidents (accidents and near-accidents) are recorded, tracked in terms of measures implemented, and evaluated by means of a central incident database. This is performed in the same manner for safety audits. A mobile app supports the digital recording of safety tours by allowing activity-related hazards to be recorded directly on site and subsequently processed on a PC.

A total of 100 % of employees and contract workers at the Ranshofen site are represented by a management system for occupational health and safety. The superordinate supervisory body is the Safety Steering Committee (SILAS). The efficacy of occupational health and safety is monitored by SILAS under the direction of the Management Board. SILAS decides on the safety and health policy and evaluates the effectiveness of occupational health and safety on the basis of the defined performance indicators as well as legal compliance. It decides on any corrective measures required and initiates working topics and groups. Its members include the operating companies' managers, occupational health and safety managers, the occupational medical department, the human resources department and the Group Works Council. This system is supplemented by regular safety audits.

The Occupational Health and Safety Committee deals with the safety-relevant incidents that have occurred and the measures that have been introduced, key issues from safety audits as well as various evaluations and key figures. It defines improvement measures in the occupational health and safety area and decides which additional topics SILAS is to deal with. Furthermore, a safety expert has been appointed. This expert is responsible for advising supervisors and employees on safety issues, managing occupational health and safety legislation and establishing contacts with and reporting occupational accidents to external organisations and regulators.

Safety representatives and safety officers are defined and registered for the operational areas. Safety representatives inform and support employees on health and safety issues. The duties of a safety representative include:

- Representing employees' interests in relation to the employer, the respective public authorities and other bodies in coordination with employee bodies
- Monitoring compliance with protective measures and application of the appropriate equipment and precautions
- Advising employees on the implementation of occupational health and safety
- Employer information concerning existing defects

With the help of internal and external audits, AMAG regularly checks whether the occupational health and safety system is effective and meets international standards. In addition to audits, key occupational health and safety figures also help in the investigation of causes and enable a comprehensive risk analysis to be conducted. In this way, areas can be identified where efforts must be intensified, and preventative measures derived. AMAG is working intensively on further reducing accidents.

AMAG's Occupational Health department, which forms part of its Human Resources department, is the central point of contact for all health-related topics, such as first aid, medical examinations, healthcare and consultations.

A dedicated team of doctors at the Ranshofen site provides medical care for the workforce. Health-promoting benefits include healthy menu options in the canteen, joint participation in sporting events, an annual "Health Check", physiotherapy services and, at present, the opportunity to take COVID-19 tests. External works doctors have been engaged for the two AMAG components sites in Germany.

A policy governs the management of the COVID-19 pandemic and describes the COVID-19 prevention approach required by law. With the onset of the pandemic in March 2020, a COVID-19 crisis team was established at AMAG, with its leadership reporting directly to the AMAG Management Board. The crisis team is headed by the Group Communications function, and medical management is the responsibility of the Occupational Health function.

The crisis team is supported by the following departments (core tasks in brackets):

- Human Resources (contact tracing, duty releases)
- Purchasing (procurement of medical supplies such as protective masks, rapid antigen tests, safety equipment)
- Technical Facility Management (cleaning), plant security guard
- Legal (legal issues related to acts/regulations, data protection)
- IT (system support, COVID-19 database, logon systems)
- Occupational Medicine (in-house COVID-19 test station)

Along with information on notice boards and direct information provided by managers, the "AMAG Connect" employee app was an important tool for rapidly disseminating daily information on the COVID-19 situation and the measures taken. At AMAG components, numerous measures to protect employees were also implemented at an early stage. Specific hygiene requirements, rules on conduct and notices ensured a safe working environment.

AMAG holds the seal of approval for company health promotion (BGF), one of the highest national awards for companies in the employee health area. The health-oriented measures for employees at the Ranshofen site are particularly effective in the areas of occupational health and safety, ergonomics, nutrition and psychosocial healthcare. The promotion of occupational health and safety is continuously and consistently integrated with as many relevant processes as possible at AMAG, and built into the existing CIP system. This enables every employee to contribute to the CIP process with suggestions and solutions concerning health-related issues. Employees and their representative bodies are actively involved in occupational health and safety committee meetings at the individual companies. **(GRI 103-1, 103-2, 403-1, 403-2, 403-3, 403-4, 403-5, 403-8)**

Central measures

- COVID-19 pandemic: Implementation of comprehensive prevention measures
- Continuation of the 2020 occupational health and safety program and implementation of the 2021 program: Training, awareness raising and measures to promote a safety culture
- Integration of AMAG components' branch operations in the area of occupational health and safety

To prevent occupational accidents, every employee is required to work in a risk-conscious and safe manner. To this end, emphasis is placed on learning from incidents and regular communication about the lessons to be drawn from experience is encouraged. In the 2021 reporting year, the occupational health and safety program was successfully continued, despite the more difficult COVID-19 conditions, in order to further embed AMAG's safety culture. Within the context of SILAS (Safety Steering Committee Meeting), the Management Board, managers and the occupational health and safety function defined further measures for long-term improvement and awareness raising in the area of occupational health and safety, and set them out in the 2021 Occupational Safety Program. Work was also carried out on integrating AMAG components' branch operations. To this end, regular fixed date meetings were held between those responsible for occupational health and safety, TRIFR-relevant accidents were recorded, and internal Group occupational health and safety guidelines were adapted.

The focus areas in 2021 included the continuation of the "Raising Awareness about Occupational Safety" concept and the "Consistently Safe" initiative. The awareness-raising concept is aimed at strengthening the status of the safety officers, their tasks and activities, and the support they receive from their operational superiors. As part of the "Consistently Safe" initiative, quarterly focus topics were defined for the safety officers (for example, checking instructions for comprehension, wearing the correct personal protective equipment), as well as event-related focus topics for managers.

The employee "AMAG Connect" app represented an important tool for providing fast and up-to-date information on a daily basis. In the 2021 reporting year, this information channel was used particularly to address outstanding performance (accident-free days) and requirements in the organisational units (test trials, special work processes). For this purpose, the company created its own safety videos, which serve prevention and present occupational health and safety knowledge in a practical manner.

Work was also carried out on the implementation of new software for recording safety incidents and safety audits. With the 2021 CAST Safety Campaign, various safety focus topics were addressed in accordance with the STOP principle (substitution of potential hazards, technical and organisational measures, personal protective equipment), such as the substitution of critical tools and the elimination of trip hazards, the improvement of the technical condition of vehicles (for example, lighting, operation) and instructions for new employees. The "AMAG Supplier Safety Day", which is used to communicate with suppliers and contractors about basic safety rules at the AMAG plant site, was suspended in 2021 due to the COVID-19 pandemic. However, a "Safety Information Day" was held at the AMAG plant site in collaboration between the occupational health and safety and company fire departments.

Ongoing activities included the so-called "Safety Quarter Hour", during which employees were informed weekly about current issues (incidents, ad hoc training, safety videos) either via CIP screens or in conversation with their direct supervisor (shift supervisor/foreman). Further measures included adapting safety instructions and ensuring legal compliance in the area of occupational health and safety. As part of the management of external contractors, the support and coordination of digital access management for third-party contractors and visitors was ensured. To raise awareness, the necessary training courses for safety officers were identified in the reporting year 2021 and documented in a training catalogue. Annual safety training courses were held for existing employees, and so-called basic safety training courses (lecture including tour and instruction) were held for new employees.

The changeover to the new, higher-quality workwear was conducted in autumn 2021. Particular attention was paid in this context to greater comfort, sustainable sourcing and improved functionality.

Due to the COVID-19 pandemic, medical personnel had to focus on monitoring and managing the pandemic as an essential part of their own crisis team. Various preventative measures were taken to protect employees (for example, workplace evaluations and maternity protection evaluations) and hygiene concepts were implemented. The tracking and interruption of infection chains as well as employee information and awareness raising via the intranet were advanced. Further prevention measures included an in-house COVID-19 testing station and the provision of COVID-19 antigen tests. Similarly, company COVID-19 vaccinations were provided. All employees were also offered the opportunity to receive a free flu vaccination to avoid potential complications from double infections, including COVID-19. This offer was well received. In addition, physiotherapy sessions were again offered to employees.

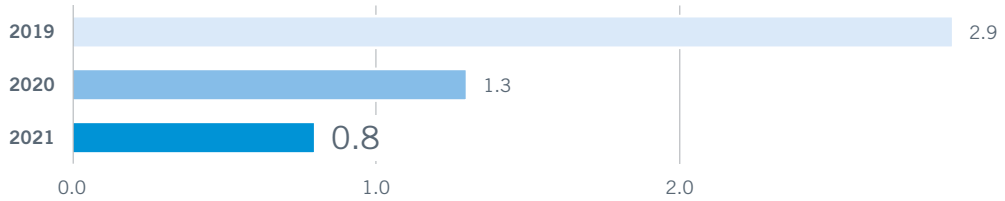
Due to the pandemic, it was again not possible to conduct the AMAG Vital Check, an annual occupational health screening. As in the previous year, various company events (e.g. AMAG Ski Day, Group Day, Christmas parties and anniversary celebrations) had to be cancelled. In view of the pandemic, participation in the Wings for Life World Run was again held virtually as an app run in 2021. A total of 61 AMAG runners covered a distance of around 838 kilometres together, albeit on the basis of social distancing. Participation provides financial support for research to find a cure for paraplegia. AMAG entered 23 runners in the WKO business run in Linz in September 2021. **(GRI 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8)**

Results

For the fifth consecutive time, AMAG was pleased to receive the seal of approval for workplace health promotion (BGF) for the period from 2021 to 2023. The company impressed in all 15 quality criteria of the BGF network, which include employee orientation, corporate culture, communication and sustainability.

The TRIFR (Total Recordable Injury Frequency Rate) safety indicator is decisive for assessing performance in the occupational health and safety area. TRIFR measures the accidents (per capita) with Lost Time Injuries (LTIs), plus incidents entailing medical treatment in relation to the sum total of working hours x 200,000 hours. Travel accidents and accidents involving external contractors are not included.

TRIFR at the Ranshofen site



In the 2021 financial year, the actual TRIFR of 0.8 lay significantly below the TRIFR target level of < 1.5 (2020: 1.3). In the case of temporary workers, the TRIFR amounted to 0 (2020: 0). The result in the 2021 reporting year is encouraging, although maintaining a stable TRIFR target level of 1.0 in the long term represents an ambitious goal for the future.

A classification of TRI-related accidents by injury type showed that the most frequent accidents occurred due to "falls & trips" and "getting trapped and squeezed". This, in turn, served as the basis for defining occupational health and safety priorities.

The number of work-related accidents among industrial workers was recorded at 12 (2020: 17), while no accidents occurred among contract workers (2020: 0).[2] The rate of lost workdays (definition of LDR: number of TRI-relevant days lost due to accidents with lost time, including public holidays and weekends, in relation to the sum total of real working hours x 200,000 hours) was as follows for employees in the 2021 reporting year: 17 for employees (2020: 61) and 0 for contract workers (2020: 0); the number of days of absence from work for employees amounted to 230 days (2020: 789) and for contract workers to 0 days (2020: 0). In reporting year 2021, as in the previous year, no fatalities due to work-related injuries and no work-related injuries that prevented employees from resuming their work activities within six months occurred.

One occupational accident was recorded at the AMAG components site in Übersee, while no accidents were recorded at the Karlsruhe site. The TRIFR at the Übersee site was recorded as 0.9 (LDR employees: 1.8), and 0 at the Karlsruhe site. No contract workers were employed at the two AMAG components sites. **(GRI 403-9, 103-3)**

Further targets and next steps

- Target: Reduction of the TRIFR accident rate as part of the "zero accidents" strategy to a target level of ≤ 1.3 in 2022 given a long-term TRIFR target level of 1.0 by 2024
- Next steps: Continuation of the occupational health and safety program with a focus on "raising awareness of occupational health and safety" and further integration of AMAG components

TRAINING AND DEVELOPMENT

The skills and competencies of employees are crucial for profitable growth and lasting success. Increasing competition and demographic change present companies with major challenges. New technologies, equipment and plant, as well as digitalisation trends signify greater demands made of employees. Against this backdrop, it is of central importance for AMAG to invest in the training and development of its employees, to offer them opportunities and to promote continuous learning. Establishing a new "learning culture" and integrating learning into everyday working life constitute the fundamental challenges in this context.

2021 target

- Qualification and development of all employees: Increase the number of training and development courses to an average of two days per employee in 2021

Management approach

The principles of personnel policy include competency-oriented and sustainable employee development based on individual operational requirements and ensured by tailored training and development measures. The objective is to build a future-oriented, learning organisation.

The task of personnel development is to further develop the skills and talents of employees in line with requirements, thereby making a significant contribution to the company's success. The Human Resources Development function acts as the first point of contact for all employee development issues and covers both training and development measures in the conventional sense (including professional licences, seminars, courses, training sessions, workshops, coaching) and employee qualification through digital learning formats. Guidelines and instruments have been implemented in the personnel area for this purpose. The training and development courses are intended to ensure a sustained transfer of knowledge and the necessary qualifications in accordance with legal regulations, internal company guidelines and customer requirements.

Although digital transformation is fundamentally technology-based, human resources development in particular has a central role to play in transitioning the company to the digital era in terms of human resources. With the implementation of a digital learning platform, a company-wide tool was introduced that aims to qualify all employees to the highest level for future tasks. Firstly, this supports human resources development in solving the complex tasks it faces. Secondly, it offers all employees learning opportunities that correspond to their individual learning pace in order to anchor acquired knowledge in the long term. The respective employee qualifications are managed and maintained in the system, thereby covering all working steps related to training planning, organisation, implementation and evaluation.

The ALEX (AMAG Learning and Expertise) e-learning platform ensures sustainable knowledge transfer and enables learning independent of time and location. A team of experts in the digital learning area

2) Hours worked by employees: 2,915,429 hours; temporary staff: 48,362 hours

is converting previously analogue training and education into suitable digital learning formats (e.g. compliance training, IT training, etc.).

The following objectives are addressed by the learning management system and the digitalisation of training content:

- Ensuring professional qualification of employees
- Further development of the company-wide, IT-supported qualification management system for the demand-oriented administration of employee qualification
- Maintenance and documentation of all qualifications
- Easy, fast and flexible access to training content for employees

Focused talent management takes into consideration the declining number of skilled workers as a consequence of demographic change and the rising demands placed on employee skills. A separate talent pool is created through structured and mutually reinforcing training programs. AMAG offers a range of programs to support the filling of key positions and succession planning. For example, young, motivated employees are offered structured and targeted further development in the areas of business administration, communication and management.

As part of promoting the next generation, and in preparation for the generation change, a program was developed with a view to preparing junior executives for future management tasks. A Master Academy (Meister Akademie) is offered for the further development of employees who are intended for management positions in the production area. Participants receive comprehensive information on the topic of management, and AMAG-internal learning and experience dialogue is also promoted. In order to continuously raise AMAG-specific expertise and the qualifications of AMAG's workforce, employees at all hierarchical levels can participate in the "Alu-Academy". Employees are taught by experienced AMAG specialists and technical experts who pass on their specific knowledge and skills to their colleagues. Learning contents range from occupational health and safety, materials science, production processes, quality and environmental management through to team building units.

In order to meet the demand for skilled workers, thorough training in nine apprenticeships is offered. AMAG trains its apprentices through applications-based training in high-tech workshops in collaboration with the Braunau Training Centre. At the Braunau Training Centre (in which AMAG holds a 20 % interest), apprentices complete basic metalworking training as well as the various special modules for their respective apprenticeships. The apprentices complete their practical training in the various specialist departments. The Apprentice Academy bundles seminars to enhance apprentices' social skills. These include team training, independent action, presentation, new media and public speaking skills. Moreover, AMAG apprentices have the opportunity of completing their training with school-leaving certificates. Around three-quarters of all AMAG apprentices complete vocational school or the final apprenticeship examination with excellent or good results.

Annual employee goal setting and development meetings between employees and managers include the identification of training needs, among other issues, and appropriate training and development measures are taken where necessary. Based on job and requirement profiles, it thereby provides a clear opportunity for each employee to take stock. Employee participation in goal setting and development meetings stood at 92 % in 2021 (2020: 82 %). Exceptions include trainees, employees with reasons for absence (such as military/community service, parental leave) and employees with employment contracts of less than six months. In addition to the training and development measures agreed in the employee goal setting and development meetings, such measures are also agreed throughout the year. At AMAG components, employee appraisals are not yet conducted in accordance with the AMAG standard, which will be implemented in 2022. **(GRI 404-3)**

Central measures

- "Apprenticeship at AMAG. Apprenticeship with Future" – a project that was launched with related recommendations for actions being derived accordingly
- Digital learning successfully developed further
- Personnel development: Revision of internal training programs and supplementary training and development opportunities in the AMAG training catalogue

Following the suspension of all personnel development measures due to the COVID-19 pandemic, with the exception of training courses required for operational reasons in the 2020 reporting year, further training programs were resumed or continued in Ranshofen in the spring of 2021, with the exception of the Apprentice Academy.

With the help of appropriate learning formats and content, digital learning formats played an important role in meeting the challenges posed by the COVID-19 pandemic, digital transformation, and the modern working world.

Supporting young talent represented an important focus. As part of "talent management", national and international trainee programs were set up in conjunction with periods spent abroad. Job rotation was used to secure know-how and increase flexibility.

Existing training and development programs were revised or optimised, and training courses were offered for managers. With the "Key Player Program", AMAG offers technical experts as well as future managers a seven-part development module to strengthen personal and social skills. Building on this, the "Leadership Program" focuses on deepening methodological leadership and strategic competencies for junior managers. Participants work specifically on leadership and strategic skills, conflict and change management, and handle business management tasks. Bringing more employees from production or production-related areas into the programs is a key goal. Both programs started in 2021 with 12 participants each.

The "Apprenticeship at AMAG. Apprenticeship with Future" project was launched as part of the apprenticeship campaign, and apprenticeship training was examined for potential improvements. The first steps deriving from this relate to the apprentice presence on the AMAG website, internal training documents, personal support and the recruiting of apprentices.

Students at digiTNMS (designation for secondary school with a focus on digital – technology – natural sciences) in Ranshofen received their first insights into the professional world as part of a collaboration with AMAG and the Braunau Training Centre. As part of the "learning in educational areas" subject, the young people were introduced to aluminium processing and were given initial hands-on training by the experts at the training centre.

The ALEX e-learning platform helped ensure that necessary training could be conducted online. In terms of digital learning, intensive work was carried out in the production area on the comprehensive roll-out of the ALEX e-learning platform and the company-wide roll-out of "learning islands". Existing training documents were supplemented with a quiz to test effectiveness, and training courses were successively expanded to include videos (such as a video explaining the test casting plant). Work was done at AMAG components on integrating digital training. A total of 110 training sessions were converted to e-learning formats (including on human rights, export control & the customs manual).

Results

NUMBER OF HOURS FOR TRAINING AND DEVELOPMENT (AS OF DECEMBER 31/INDIVIDUALS)

	Group			thereof AMAG components
	2021	2020	Change in %	2021
total	**37,012**	**24,247**	**52.6**	**0**
per employee	**18**	**13**	**36.4**	**0**
per woman	**19**	10	93.9	**0**
per man	**18**	14	31.4	**0**
per blue-collar employee	**6**	4	46.3	**0**
per white-collar employee	**8**	4	110.5	**0**
per apprentice	**359**	301	19.3	**0**

The COVID-19 pandemic had a decisive influence on the training and development measures in the 2021 reporting year. Employees completed a total of 37,012 training hours in the 2021 reporting year (2020: 24,247). The average annual training and development hours per employee amounted to 18 hours. The high number of 359 training hours in the case of apprentices is due to external training at the Braunau Training Centre. This registration does not include training and development hours as part of the Alu-Academy and participation in lectures and conferences. Due to short-time working at AMAG components, no training and development hours were taken up in Karlsruhe and Übersee. **(GRI 404-1)**

Further targets and next steps

- Target: As a matter of principle, the goal of increasing the number of training and development courses to an average of two days per employee will continue to apply. In the future, this key figure will include the training and development hours at the two AMAG components sites in Karlsruhe and Übersee.
- Next steps: Further development of existing AMAG development programs (including the Master Academy), optimisation of the possibility of using digital learning formats (expansion of learning offerings to include a wide range of topics and contents), and integration of AMAG components into processes in accordance with the AMAG standard

EMPLOYMENT DEVELOPMENT

Employee relationships anchored in trust form the foundation of the company's success. The aim is to have long-term employee retention to achieve this goal. A key factor for attractive workplaces is the development and positioning of a strong AMAG employer brand. AMAG must meet requirements with regard to recruiting and the qualification of employees, while taking account of demographic trends, creating working conditions conducive to performance, and promoting creativity and responsibility within the meaning of society's growing emphasis on the individual.

2021 target

- Demand-oriented recruitment of employees for AMAG's growth course and strengthening of the AMAG employer brand while retaining or reducing the employee turnover rate to < 6 %

Management approach

The company's personnel strategy is aimed at covering its future personnel requirements in terms of quality and employee numbers. It is based on corporate objectives approved by the Management Board. Guidelines and instruments have been implemented in the personnel area for this purpose. These tools define tried-and-tested processes for recruiting, induction, career path planning, personnel development and successor planning of employees. The head of Human Resources reports to the CEO. Representing the employee agenda is incumbent on the Works Council, which is represented on the Supervisory Board of AMAG Austria Metall AG by four members.

Company working hours are set out in a works agreement and apply to all employees. It is based on the provisions of the currently valid Austrian Working Hours Act.

AMAG set the course at an early stage in terms of covering its future long-term needs for employees and has aligned its junior executive and further training programs accordingly. Open positions are filled in consideration of long-term aspects. Jobs are posted internally in preference to advertising externally. Employees can keep themselves informed of vacant positions on the HR department's intranet page and via the AMAG employee app.

The supervision of diploma theses and dissertations and participation in information evenings organised by the respective universities enable potential employees to be retained at an early stage. In addition, AMAG has opted for strategic partnerships with universities to supplement learning and research, combined with practical orientation, in specialist areas relevant to AMAG.

Employees participate in AMAG's success and profitability through the AMAG Employees' Private Foundation (AMAG Arbeitnehmer Privatstiftung) as a core shareholder. It holds an 11.5 % interest in AMAG. This is an additional factor that strengthens loyalty to the company.

Central measures

- Recruiting & employer branding: Increased digitalisation and the fine-tuned addressing of specific target groups, also against the backdrop of the COVID-19 pandemic
- Development and positioning of a strong, attractive employer brand

In times of a shortage of skilled labour, AMAG is competing for skilled staff on the regional labour market. At the heart of these developments lies the question of how to differentiate and stand out from the competition by developing innovative measures to strengthen the employer brand. In addition, the company is preparing for changing job requirements in the light of accelerated digitalisation by taking relevant qualifications into account during recruitment, and by implementing appropriate personnel development measures. The retention of existing and the recruiting of new employees are equally important to the employer branding strategy.

Digital platforms and social networks (LinkedIn, Instagram, Facebook) were increasingly utilised in order to reach potential applicants. Due to the COVID-19 pandemic, all personnel marketing events in face-to-face form (trade fairs, apprentice information day, etc.) were cancelled. This was followed by measures such as the use of online meetings in the application process and participation in two virtual university job fairs. A virtual job speed dating event in the form of 10-minute job interviews as well as the "Heroes of the Night" social media video campaign were used to address shift production employees.

For pupils, the intensification of presence at schools (class partnerships, internships) and the supervision of pre-scientific diploma theses were advanced. A total of 145 trainees were accepted at AMAG in the 2021 reporting year.

The interaction independent of time and location facilitated by the "AMAG Connect" employee app, which proved to be helpful in the COVID-19 pandemic, was developed further. Measures such as the "Ice Cream Campaign", which provided employees with free ice cream in the summer, contributed to AMAG's appreciation and positioning as an attractive employer. Under the motto "AMAGicTree", AMAG presented employees with a Christmas tree. Furthermore, each employee received a multifunctional jacket from a quality manufacturer based in the Innviertel region. As a token of gratitude and in recognition of the employees' achievements, a one-time special bonus was paid to all employees at the Ranshofen site. In addition, a range of additional benefits, such as a pension fund, is available.

Employee surveys were also conducted in June 2021 as part of the ASI recertification process. These are personal discussions between groups of employees and the external auditor. In the confidential employee interviews, it was stated that above all the job security, the good working atmosphere, pay scales above the collectively agreed levels, and opportunities for promotion in the production area were valued.

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

- Implementation of a targeted induction process for new employees (welcome folder and gift)
- Development and implementation of customised further education and training programs
- Implementation of digital processes and raising the HR service level by way of IT-supported systems (digital workflows, personnel file, organisation manager)
- More intensive communication measures (video information from the Management Board to the whole workforce)
- Flexible working time with various flexitime models
- Possibility of teleworking
- Company pension (payment into a pension fund)
- Employee participation in the company
- Staff catering (canteen including AMAG subsidy)
- Employee events (e.g. running events)
- Health promotion measures (physiotherapy)
- Sabbatical and semi-retirement, parental leave for fathers, fathers' month
- Employee bonuses (special COVID-19 payment)
- Transport subsidy
- Possibility of tax consulting for employees from Germany

The following measures promoted the recruiting of new employees in 2021:

- Apprentices: Participation in various apprentice fairs
- Schoolchildren: Intensification of presence at schools
- Students: Expansion of university contacts (including virtual trade fair appearances, supervision of dissertations and theses, technical and holiday internships)
- Salaried & industrial workers: Talent pool (platform for early contact and relationship management with interested parties), increased social media presence, "job speed dating", presence in regional print media, job postings on LED displays in the surrounding area, various digital advertising formats

Results

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

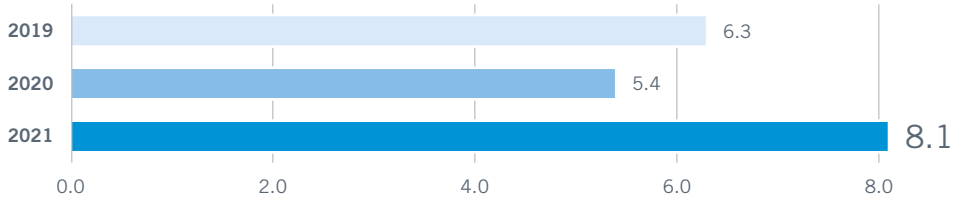
With regard to the minimum disclosure periods for organisational changes, AMAG complies with all applicable Austrian legislation and directives, and with the provisions of the collective agreement for the Austrian iron and metalworking industry. In the reporting period, no significant changes occurred that materially affected employees and that required reporting. **(GRI 402-1)**

The number of personnel increased year-on-year to 2,080 employees (reporting date/individuals) (2020: 1,843), mainly due to the acquisition of AMAG components. The proportion of employees to whom collective bargaining wage agreements apply amounts to 99 % excluding the respective general managers and the plenary Management Board). **(GRI 102-41, 102-7)**

Based on flexitime models, 33 % of women and 2 % of men work on a part-time basis. The proportion of temporary employment contracts has settled at a very low level. A total of 2,042 employees were permanently employed, while 38 employees had temporary employment contracts. **(GRI 102-8)**

As of December 31, 2021, 65 AMAG apprentices were undergoing training, of whom 56 where industrial and 9 commercial. **(GRI 102-8)**

Staff turnover rate in %



The staff turnover rate amounted to 8.1 % (reporting date/individuals) and has included the proportion of AMAG components employees since the 2021 reporting year. This includes all staff departures (excluding individuals going into retirement and employment contracts ending due to expiry or probationary periods concluding). The majority of departures occurred in the production areas, while a low turnover rate was recorded in the salaried employee area. Interviews were held with all employees to determine the reasons for leaving. **(GRI 102-8)**

TOTAL NUMBER OF EMPLOYEES (DECEMBER 31/INDIVIDUALS)

	Group			thereof AMAG components
	2021	2020	Change in %	2021
total	**2,080**	**1,843**	**12.9**	**211**
thereof women	**302**	**256**	**18.0**	**30**
thereof permanent employment contract	**299**	253	18.2	**30**
thereof temporary employment contract	**3**	3	0.0	**0**
thereof full-time	**201**	174	15.5	**18**
thereof part-time	**101**	82	23.2	**12**
thereof men	**1,778**	**1,587**	**12.0**	**181**
thereof permanent employment contract	**1,743**	1,578	10.5	**168**
thereof temporary employment contract	**35**	9	288.9	**13**
thereof full-time	**1,735**	1,548	12.1	**177**
thereof part-time	**43**	39	10.3	**4**
leased employees	**27**	**1**	**2,600**	**3**
contract workers	**1**	**0**	**-**	**0**

EMPLOYEES LEAVING (AS OF DECEMBER 31/INDIVIDUALS)

	Group			thereof AMAG components
	2021	2020	Change in %	2021
total	**220**	**146**	**50.7**	**23**
thereof women	**25**	**17**	**47.1**	**3**
thereof younger than 30	**9**	8	12.5	**0**
thereof between the ages of 30 and 50	**11**	6	83.3	**1**
thereof older than 50	**5**	3	66.7	**2**
thereof men	**195**	**129**	**51.2**	**20**
thereof younger than 30	**61**	56	8.9	**4**
thereof between the ages of 30 and 50	**92**	36	155.6	**10**
thereof older than 50	**42**	37	13.5	**6**

NEWLY HIRED EMPLOYEES (AS OF DECEMBER 31/INDIVIDUALS)

	Group			thereof AMAG components
	2021	2020	Change in %	2021
total	**239**	**82**	**191.5**	**16**
thereof women	**40**	**16**	**150.0**	**3**
thereof younger than 30	**22**	10	120.0	**0**
thereof between the ages of 30 and 50	**14**	6	133.3	**3**
thereof older than 50	**4**	0	-	**0**
thereof men	**199**	**66**	**201.5**	**13**
thereof younger than 30	**96**	35	174.3	**4**
thereof between the ages of 30 and 50	**92**	27	240.7	**7**
thereof older than 50	**11**	4	175.0	**2**

The number of individuals newly employed as of December 31, 2021 amounted to 239, including 199 men and 40 women. **(GRI 401-1)**

Further targets and next steps

- Target: Demand-oriented recruitment of employees for AMAG's growth course and strengthening of the AMAG employer brand while retaining or reducing the employee turnover rate to < 6 %
- Next steps: Introduction of a system to structure the intake process for new employees, increasing employee loyalty (including through personal feedback meetings with HR management and the Works Council), integration of local personnel service providers into the existing applicant management system of AMAG components

EQUAL OPPORTUNITIES AND DIVERSITY

Demographic change, the growing individualisation of lifestyles and a fundamental shift in values are aspects associated with a more diverse society. This new diversity presents companies with challenges while contributing value added to the process of collaboration. Promoting diversity and equal opportunities within the company is a key factor for success.

2021 target

- Open approach to diversity and promotion of equal opportunities

Management approach

As part of human resources management, care is taken to ensure discrimination-free workplaces for suitable employees regardless of age, gender, skin colour, sexual orientation, origin, religion or disability. The commitment to non-discriminatory treatment is anchored in the code of conduct and supports all AMAG employees in carrying out their activities in a morally, legally and ethically impeccable manner. AMAG takes its lead from the UN Charter in this context, as well as from the European Convention on Human Rights. All employees have the opportunity of reporting suspected discriminatory treatment to the compliance manager, or through a compliance hotline. This option is also open to all the company's business partners.

AMAG offers its employees fair basic wages and salaries which duly compensate the respective performance. In terms of its compensation policy, emphasis is placed on rigorous equal gender treatment. The bonus system for managers includes performance-based salary components and consists of monetary targets and individual performance contributions.

An applicant database enhances transparency in the application process through digitally managing all internal and external job vacancies. Alongside professional skills and commitment, importance is placed when selecting personnel on the candidate's identification with AMAG's corporate culture which is characterised by respect, working together in a spirit of appreciation and innovative capability.

Measures to reconcile work and family life include, for example, an annual childcare holiday campaign and flexible working time models ranging from flexitime and part-time models to semi-retirement.

AMAG is committed to equal opportunities and supports the involvement of women in technology. Recruitment activities in the production area, in particular, take special account of raising the proportion of women. In addition, alliances with schools have been established to elicit greater interest from young women in technical professions.

Central measures

The introduction of teleworking in 2020 enabled many employees to work from home during the COVID-19 pandemic, and represented an important milestone in the advancement of a modern working environment.

In order to promote the potential of female specialist/technical staff, two female pupils in their fourth year were accompanied as part of a mentoring program for pupils at engineering-focused secondary schools. Launched in July 2021, the program aims to specifically promote young women employees in technical professions. The pupils were accompanied in a structured manner by AMAG mentors over a three-semester period, and insights into the company are provided during a 4-week holiday internship.

In order to support committed students with an immigrant background, AMAG once again took on a "Start" scholarship sponsorship. The scholarship program accompanies committed students from different countries of origin through to the secondary school leaving exam. In addition to an educational contribution, a variety of workshops and seminars are also offered. As part of the "Changeover" project, one teacher also moved from the classroom to AMAG for a year to gain an insight into the business world. As a team member of the personnel development area, she gained new insights into digital learning so that she can now provide pupils with practical information on everyday working life.

Results

As in previous years, no cases of discrimination were reported in the reporting year 2021. **(GRI 406-1)**

The heavily industrialised structure of the company naturally determines that the workforce employed is composed as follows: 62 % industrial workers, 35 % salaried employees and 3 % apprentices. In terms of geographic distribution, most of the workforce is based in Austria. In total, the AMAG workforce comprises 28 nationalities, including 65 % of employees from Austria, 28 % from Germany and 7 % from other nations.

At senior management level (this corresponds to individuals in the first management level below the Management Board and the managing directors), around 76 % managers come from Austria. **(GRI 202-2, 405-1)**

Of the employees, 15 % were women (2020: 14 %), and the proportion of women in management positions rose to 12 % (2020: 10 %). AMAG pursues the goal of consistently increasing the share of women. As of the reporting date on December 31, 2021, the proportion of women in the apprentice category stood at 23 % (2020: 23 %).

AMAG records the employment rate of people with disabilities in accordance with the Disability Employment Act (BEinstG). As of December 31, 2021, a total of 3 % of AMAG's employees were registered disabled individuals (2020: 3 %).

The workforce "aged" slightly in the reporting year 2021. The average age of the workforce was 38.9 years (2020: 38.3 years). The age structure is relatively well balanced. In the reporting period, 56 % of the industrial workers were between 30 and 50 years old, 22 % below 30 years old and 22 % over 50 years old. Of the salaried employees, 57 % were between 30 and 50 years old, 18 % below 30 years old and 25 % more than 50 years old. **(GRI 405-1)**

EMPLOYEE COMPOSITION BY DIVERSITY ASPECTS

	Group			thereof AMAG components
	2021	2020	Change in %	2021
blue-collar employees	**62%**	**63%**	**-1.5**	**56%**
thereof women	**3%**	3%	0.0	**3%**
thereof men	**97%**	97%	0.0	**97%**
thereof younger than 30	**22%**	23%	-4.7	**14%**
thereof between the ages of 30 and 50	**56%**	57%	-1.4	**50%**
thereof older than 50	**22%**	20%	9.0	**36%**
white-collar employees	**35%**	**34%**	**2.7**	**38%**
thereof women	**34%**	34%	2.5	**33%**
thereof men	**66%**	67%	-1.3	**67%**
thereof younger than 30	**18%**	19%	-9.0	**11%**
thereof between the ages of 30 and 50	**57%**	55%	3.1	**53%**
thereof older than 50	**25%**	25%	-0.4	**36%**
apprentices	**3%**	**3%**	**1.0**	**5%**
thereof women	**23%**	23%	1.2	**0%**
thereof men	**77%**	77%	-0.4	**100%**
thereof other diversity indicators (registered disabled people)	**3%**	3%	0.0	**2%**

Further targets and next steps

› Target: Open approach to diversity and promotion of equal opportunities through making technical professions more attractive for women, increasing the number of female apprentices in the industrial area to a share of 20 % by 2024, and increasing the proportion of women in management positions (senior management) to the average proportion of women in the company by 2024

RESPONSIBLE VALUE CHAIN MANAGEMENT

PERFORMANCE:

› Successful recertifications according to the "ASI Performance & Chain of Custody Standard"
› Closed loop recycling for an optimised supply chain: AMAG and Audi Hungaria cooperate on aluminium recycling
› High scrap utilisation rate of 78 % despite challenging product mix

RAW MATERIALS

The responsible use of raw materials along the value chain forms an integral element of corporate policy. The most efficient and responsible use of resources, recycling and the closed loop concept are anchored within the corporate strategy.

2021 target

› Continuous improvement of the ASI CoC management and procurement of sufficient ASI-certified and ASI-eligible raw materials in order to cover customer demand

Management approach

With process and product innovations and the strategic focus on recycling, the aim is to decouple growth from resource consumption and thereby accelerate the transition to a system of closed value creation cycles. When selecting raw materials, aspects such as product and supply security are taken into consideration in addition to economic, ecological and social criteria.

The path of AMAG products starts with the primary material base. AMAG's activities in Ranshofen on the topic of raw materials comprise:

- The purchasing of primary aluminium, rolling slabs and primary scrap
- The purchasing of aluminium scrap and metal alloys
- The recycling of aluminium scrap
- The production of recycled cast alloys and rolling slabs

Primary aluminium is procured for the Ranshofen site in the form of ingots, sows and T-ingots. Transport is mainly carried out on an environmentally compatible basis via water and rail. AMAG only utilises material from electrolysis plants approved by it for this purpose.

AMAG holds a 20 % interest in the Canadian Alouette smelter to secure primary aluminium supplies for the Ranshofen site. For business reasons, Alouette's primary aluminium was sold exclusively in North America in 2021. By sourcing its electrical energy from hydroelectric power and ongoing optimisation of production technology, the Alouette smelter has an exceptionally small carbon footprint by international standards.

Alumina supply to Alouette is ensured by the owners (AMAG 20 %, Norsk Hydro 20 %, Rio Tinto 40 %, Albecour/Marubeni 20 %). Alouette procures alumina either through direct purchasing from alumina refinery operators or indirectly via traders, taking into consideration environmental and social criteria and compliance with legal regulations. The Atlantic region (primarily Brazil) and the Pacific region (primarily Australia) are the two alumina production regions of significance for Alouette. Bauxite is the raw material for alumina production. Bauxite deposits are located along the tropical belt, mainly in areas that exhibit high species diversity, in other words, a great variety of plants and animals. Minimising negative impacts on biodiversity is consequently of fundamental importance for sustainable bauxite mining. This requires that the needs of local communities be taken into consideration in land conservation and use. AMAG is aware of the effects of bauxite mining and subsequent alumina production. AMAG makes valuable contributions to defining and implementing sustainable standards in the aluminium industry through membership in initiatives such as the Aluminium Stewardship Initiative (ASI), European Aluminium (EA) and the GDA (Aluminium Deutschland).

The procurement process is regulated by operating instructions and guidelines. This serves to minimise not only procurement-specific risks, such as delivery bottlenecks or strong price fluctuations, but also safeguards AMAG's competitive edge and its seamless production workflows. Suppliers are expected to act responsibly in the extraction and production of raw materials. When purchasing raw materials, AMAG has committed itself to responsible procurement management for all major suppliers and service providers (including scrap, primary metal, rolling slab and metal alloy suppliers, as well as energy suppliers and service providers). A separate set of procedural instructions governs the ongoing implementation of responsible procurement management for alumina.

In procuring auxiliary and operating materials, overhead materials, capital goods, services and energy, AMAG makes use of a broad base of suppliers which are selected and commissioned in a clearly defined bidding process. The supplier relationships are performance-based and long-term oriented. AMAG gives preference to suppliers whose management systems are certified to ISO 9001/14001/45001 and which operate a safety management system. Suppliers are evaluated periodically using a uniform system (vendor evaluation). In the case of equal prices and quality, preference is given to suppliers that ensure efficient energy consumption when rendering their services and enable the most energy-efficient use possible.

A compliance check process for suppliers has also been installed. Current sanctions lists are applied to systematically check suspicious or illegal activities. **(GRI 103-1, 103-2, 308-1)**

Central measures

For decades, AMAG has focused on the responsible and resource-conserving production of aluminium and is a founding member of the Aluminium Stewardship Initiative (ASI), a global non-profit organisation. The initiative was launched in 2012 to supplement activities designed to promote sustainability and material responsibility pursued for more than twenty years by the aluminium industry's lobby groups. The aim is to demonstrate and step up the sustainable production of aluminium. To this end, globally applicable standards and a certification system for the producers and processors of aluminium were developed. AMAG is already certified in accordance with both standards issued by the initiative (ASI Performance and Chain of Custody Standard), thereby evidencing the company's responsible aluminium production and processing.

As a basic requirement for achieving the ASI CoC Standard, conformity with the ASI Performance Standard, which officially confirms the sustainable production and processing of aluminium in Ranshofen, must first be demonstrated. AMAG already achieved certification to this ASI standard in 2018. The ASI CoC Standard goes one step further and starts at AMAG's own factory gates by requiring suppliers of primary materials to comply with the same stringent standards and criteria to which AMAG is committed. All steps in the value chain, from the production from bauxite and secondary aluminium through to processing and on to the finished product are encompassed. ASI-certified primary aluminium and rolling slabs are additionally purchased by AMAG from its upstream suppliers. ASI-eligible scrap is so-called post-consumer scrap, i.e. scrap from products already used by the consumer or which have served their allocated purpose (e.g. used wheel rims, old window frames, used aluminium packaging). The ASI CoC Standard thereby links the manufacturing steps in Ranshofen, which are tested in accordance with the ASI Performance Standard, with a monitored supply chain, and enables AMAG to identify products as ASI-certified. ASI-certified aluminium, in turn, offers customers the opportunity to support responsible aluminium supply chains and consequently scrap recycling, closed loop concepts and responsible mining, as well as the sustainable production of aluminium.

In June 2021, the successful combined audit for recertification according to the two ASI standards was performed in Ranshofen, which reported a very positive overall result and identified no anomalies. The information provided to employees (via CIP screens and online training) and the continuous improvements, particularly in the area of occupational health and safety, were highlighted as particularly positive.

AMAG components, as part of the AMAG Group, produces machined high-precision detail parts (predominantly from aluminium) for the aircraft industry. The product range includes aluminium and titanium machined parts, assemblies and sheet metal parts. For AMAG, the acquisition of AMAG components enables greater depth of vertical manufacture beyond contour sawing, and supports AMAG's specialties and recycling strategy. AMAG components' activities in the area of raw materials primarily involve the purchase of semi-finished aluminium and titanium products via suppliers approved by customers, as well as the provision of unmixed machining scrap for recycling. An important aluminium alloy for aircraft sector customers is to be sourced directly from the AMAG rolling mill in the future. To this end, work is being performed on the corresponding qualification.

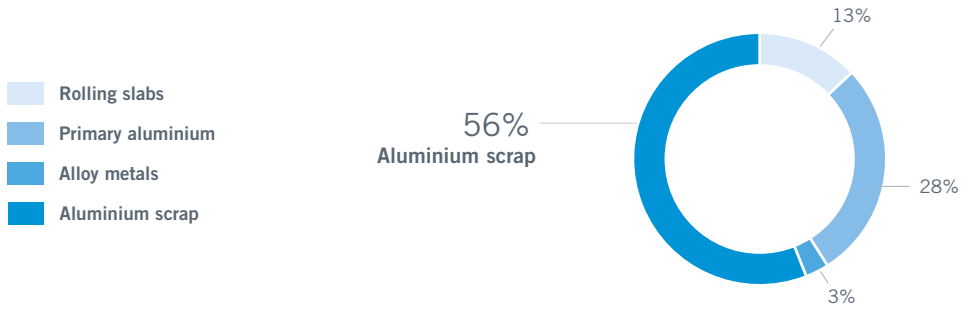
Results

New suppliers were qualified for ASI scrap as part of the continuous expansion of the supplier base to ensure material availability. Activities have also been initiated to enable scrap from end-of-life aircraft to be recycled in the future.

As far as Alouette's alumina supply is concerned, the Alouette partners agreed to prioritise the procurement of alumina from ASI-certified sources. This confirmation of compliance with comprehensive sustainability standards by the independent ASI represents an essential element in ensuring transparency and quality.

In the 2021 reporting year, 40,000 tonnes of ASI-certified rolling slabs were purchased in Ranshofen. ASI-certified scrap ("post-consumer" scrap and dross) was also purchased.

External procurement of raw materials in % at the Ranshofen site



Most of the material purchased for the production of high-quality aluminium products at the Ranshofen site is aluminium scrap. Accounting for a share of 56 %, recyclables play a dominant role in the external purchasing of raw materials.

A total of 183,100 tonnes of aluminium scrap (2020: 165,100 tonnes) were purchased in various forms from external third parties. AMAG has 174 (2020: 184) suppliers of a broad spectrum of aluminium scrap types. Of the main suppliers, 22 cover 50 % of the total demand. In addition,

contracts exist with customers which purchase rolled products concerning for the purchase of production scrap from further processing or final production (scrap collection points). **(GRI 301-2)**

The 90,000 tonnes of primary aluminium required for the Ranshofen site in 2021 (2020: 75,100 tonnes) was purchased from suppliers with which long-standing business relationships exist. Around 11 % (2020: 0.6 %) of the primary aluminium required for the Ranshofen site in 2021 was purchased from Alouette via traders.

In addition to the rolling slabs produced in the company's own casthouse, low-alloy rolling slabs are also purchased from third parties. The purchase of external rolling slabs amounted to 43,200 tonnes in 2021 (2020: 40,300 tonnes). Metal alloys, which are necessary to achieve the required material characteristics, are also purchased externally. Magnesium, silicon, manganese, copper and zinc are the most important metal alloys. In 2021, the purchase of alloying metals accounted for around 11,000 tonnes (2020: 9,300 tonnes) at the Ranshofen site.

AMAG components purchased around 1,468 tonnes of semi-finished aluminium products and around 60 tonnes of semi-finished titanium products in the 2021 reporting year.

Tantalum, tin, gold, and tungsten, which originate in the Democratic Republic of Congo or its neighbouring countries (the "DRC" countries), have been identified as "conflict minerals". Suppliers have a duty to disclose if the use of these "conflict minerals" would be necessary for the functionality and for the manufacture of the products they supply. AMAG continuously checks whether such minerals are necessary for the functionality or the manufacture of its products. If necessary, upstream suppliers are contacted to ensure that the minerals mentioned do not originate from DRC countries. No conflict minerals were purchased in the 2021 reporting year. **(GRI 102-9, 102-10, 103-2, 103-3)**

2022 target and next steps

› Target: Procurement of certified and sustainable raw materials to meet customer demand through: Procurement of at least 45,000 tonnes of ASI-certified aluminium in the form of rolling slabs and primary aluminium and an increase in ASI-certified scrap in 2022; increase in yield and grade purity for chips as part of closed loop recycling with AMAG components

RECYCLING

The recycling of aluminium has increased sharply worldwide in recent years, due not only to the greater quantity of secondary materials available but also to the ecological and economic advantages compared with primary production. The recycling of aluminium enables up to 95 % energy savings compared to primary aluminium production – thereby making a significant contribution to reducing emissions. Furthermore, aluminium recycling enables the closing of material cycles in industrial production processes which are jointly developed, efficiently designed and standardised between customers and AMAG. The aim is to recycle aluminium products in a value-retaining manner. For this reason alone, it is in the aluminium industry's own interest to utilise existing scrap. At the end of the life of aluminium products – whether from the building industry, transport or packaging – it is consequently important to keep these products in the recycling loop by means of appropriate collection systems (end-of-life vehicle recycling, deposit systems or recycling bins).

Recycling efficiency depends to a great extent on scrap quality and scrap processing expertise. For this reason, one of the future challenges in the recycling of aluminium lies in the efficient use of contaminated scrap. Sustainable and economical production and the refining of high-quality secondary casting and wrought alloys requires highly efficient scrap processing and remelting technologies that are capable of handling a wide range of different scraps that form the raw material for these products. Internal material cycles can be closed by various melting technologies with, for example, dross being directly converted into alloys. **(GRI 103-1)**

2021 target

› Production growth while maintaining a scrap utilisation rate of around 75 – 80 %

Management approach

The recycling of aluminium has formed the economic base underpinning AMAG's activities for more than three decades. Considerable investments have been made in this area in terms of plant engineering, furnace technology, residue management, scrap processing, etc. over the last ten years. With an average scrap utilisation rate of 75 to 80 %, AMAG is proud to be at the forefront of aluminium remelting and refining, and to continue improving its competence in this area through innovations.

For this purpose, AMAG has a large number of different remelting furnaces for various applications. The existing technological process chain and expertise ranging from sampling and scrap preparation through to the melting of contaminated scrap enable AMAG to ensure high recycled content in its products. Particularly in the case of different scrap qualities, AMAG not only possesses the appropriate recycling technologies due to various furnace aggregates, but also demonstrates years of know-how in the targeted processing of these materials. Moreover, special emphasis is placed on research and development, with ongoing optimisation of the entire process chain, from the characterisation of scrap though to melting technology and the finished semi-finished product. The company's internal research and development in this area is complemented by dissertations, some of which have been initiated and conducted in recent years in the context of the scientific and technological advisory board.

Aluminium recycling consists of three segments: collection, processing and transformation of the scrap into a reusable alloy. Scrap sampling is one of the most important support processes in this context. All incoming scrap shipments undergo radioactivity testing before being forwarded for sampling and testing. The Ranshofen site operates a rolling slab casthouse to supply its own rolling mill and a casthouse for foundry alloys. Both casthouses cooperate closely in relation to recycling. AMAG has a wide range of melting furnaces (shaft furnaces, hearth type furnaces, induction furnaces and tilting drum melting furnaces) in order to optimally process different scrap qualities.

Various types of aluminium scrap are generated as part of processing the semi-finished product at the customer's site. For this purpose, AMAG offers the service of taking over production scrap directly from the customer and reprocessing it using state-of-the-art recycling technology to produce high-quality wrought and cast alloys, which are then ideally used as primary material for the production of the same components. This is referred to as a "closed loop". AMAG has already been successfully practising closed loop recycling for several years with industrial customers from various aluminium processing sectors. Contracts were concluded or existing contracts extended with customers in the packaging, aircraft and automotive sectors to expand resource-saving closed loop relationships.

As one of the largest aluminium recyclers at one site, AMAG has been pursuing the "alloy-to-alloy" recycling goal for many years. Through targeted separation and adequate processing measures, scrap is re-utilised for analytically identical finished product alloys, thereby improving value creation to a crucial extent. This approach is a decisive factor in improving the value chain, raising the proportion of recycling in products and thereby reducing the carbon footprint. This is easier in the case of production scrap that accumulates directly during the manufacturing process (such as for components) than with mixed scrap from the collection of used materials. The latter not only consist of various alloys, but are seldom present in a clean form, but rather, for example, painted, dusty, or mixed with other materials such as with plastic or steel as a material composite. As a consequence, either an alloy with lower requirements (so-called "downgrading") can be produced, or the appropriate purity must be ensured by adding primary aluminium or a carefully composed scrap mix in connection with a precise adjustment of the microstructure. **(GRI 103-2)**

Central measures

- Optimisation of energy consumption as part of the "SMA²RT" project (simulation, measurement and automation of aluminium recycling technologies)
- Expanding recycling capacities and expertise in the scrap sorting area
- Developing alloys compatible with recycling
- AMAG components: Closed loop recycling for best possible resource utilisation
- Expanding closed loop relationships with customers

The minimisation of environmental impacts and the reduction of energy requirements are top priorities for AMAG. As part of the "SMA²RT project", further optimisations (energy consumption, exhaust gas values and increased use of more heavily contaminated scrap) are being achieved on the basis of exhaust gas measurements. For example, all shaft and hearth type melting furnaces were converted to the use of regenerative burners. At the same time, all dust extraction systems were upgraded and modernised. The exhaust gases comply with Austrian emission standards, which are among the most stringent in the world.

To expand recycling capacities, work was carried out to increase scrap utilisation for specific alloys by widening alloy tolerances. In this context, AMAG is working on "recycling-compatible alloys" where a high proportion of many different types of scrap can be used in production. Greater flexibility in material input is aimed at offering larger volumes with a higher recycling content, which will enable products with less carbon footprint to be offered. This requires the possibility of accepting certain elements in the alloy composition that will inevitably be included through the scrap (e.g. iron, copper, zinc). The declared intention in the casting business is to apply recycling alloys to conventional application areas of primary alloys. A preliminary study to identify the potential of increasing the use of scrap with wrought and cast alloys was completed.

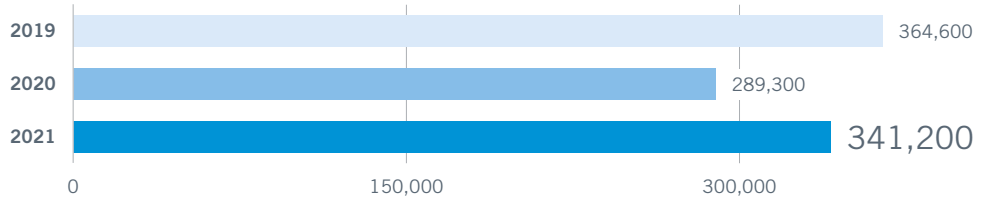
To expand resource-conserving closed loop relationships, new agreements were signed with customers from the automotive sector and existing agreements with OEMs were renewed. For example, AMAG concluded a supply agreement with Audi Hungaria under which production waste generated at the Audi plant in Győr, Hungary, is delivered to AMAG in Ranshofen in the form of sorted aluminium sheet scrap, where in turn it is recycled and reprocessed into aluminium sheet. This represents an ecological win-win situation for both contractual partners and enables AMAG to use high-quality recycled aluminium to produce new aluminium sheet of the same quality again. For Audi Hungaria, this efficient resource utilisation leads to savings in the supply chain and a reduction in CO_2 emissions during production.

Work was also carried out on closed loop recycling with AMAG components to boost the yield and grade purity of chips. The joint project, which also contributes to increasing the attractiveness for customers in the aircraft sector, started at the beginning of 2021. In five sub-projects – relating to value creation, closed loop, expansion of the AL4 aircraft product family, logistics and consumption optimisation – the elements of the optimised joint value chain were defined and joint synergies were leveraged. A closed loop agreement with AMAG components (formerly Aircraft Philipp as an independent company) has been in place for a number of years, under which aluminium chips and scrap from the two AMAG components production sites are delivered to AMAG in Ranshofen. A further step towards the closed aluminium cycle will include the delivery of aluminium plates or contour cuts now within the AMAG Group from the rolling mill in Ranshofen directly to AMAG components, where they are further processed accordingly. The supply of material from Ranshofen should be possible in 2022 following further alloy qualification at aircraft sector customers. AMAG components mills the corresponding parts either from the complete plate or from AMAG contour cuts and then processes them further. The resultant aluminium offcuts and chips are returned directly to Ranshofen, where they are remanufactured into aluminium plates of the same quality, which AMAG components then uses again in production.

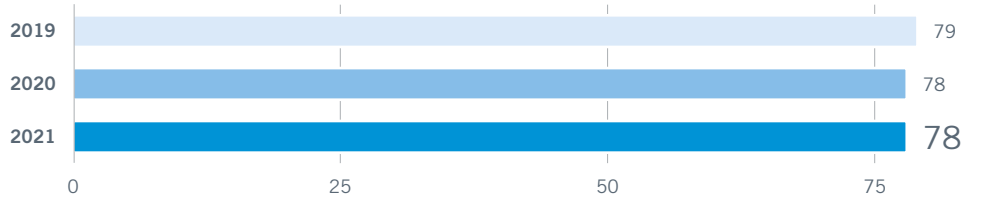
Results

In the 2021 financial year, the scrap utilisation (purchased external scrap and recycling scrap from our own production) amounted to around 341,200 tonnes (2020: 289,300 tonnes). This corresponds to a scrap utilisation rate of 78 %. **(GRI 301-2, 103-3)**

Scrap utilisation at the Ranshofen site in tonnes



Scrap utilisation rate at the Ranshofen site in %



Further targets and next steps

› Production growth while maintaining a scrap utilisation rate of around 75 – 80 %

COMMITMENT TO ENVIRONMENTAL PROTECTION

PERFORMANCE

- Path to climate-neutral AMAG 2040 defined
- Green electricity: Largest rooftop photovoltaic system in Austria put into operation
- New intermediate waste storage facility built to improve logistics, financial accounting and legal security
- Biodiversity: New habitat for ten beehives

AMAG is working on the continuous improvement of its environmental performance. Its environmental management system certified according to ISO 14001 includes compliance with all legal regulations and official requirements, as well as the systematic evaluation of relevant environmental aspects and effects. This system is integrated within all business processes. Relevant environmental aspects and impacts are examined and assessed on an installation-specific basis as part of projects of relevance to industrial law. To determine significant environmental aspects, the lifecycle of AMAG products is taken into account by considering the most important process steps.

Continuous improvement through avoiding or reducing environmental pollution forms an essential component of operational environmental protection. Periodic audits of defined company areas as well as the training of employees ensure the effectiveness of the management system. Suppliers are informed of AMAG's commitment to sustainability and environmental protection. Service providers are made aware of AMAG's environmental protection requirements as part of external company training.

Unless explicitly stated, the environmental indicators listed for the following topics relate to the entire AMAG Group, including the newly added subsidiaries of AMAG components within the context of reporting boundaries. For this reason, direct comparability with previous years is only possible to a limited extent. The respective share for the Ranshofen site and AMAG components is presented separately where possible. Specific key performance indicators per tonne refer to the Ranshofen site for reasons of materiality as well as informative value. Among other factors, this is because production volume in tonnes does not represent an informative performance indicator for the AMAG components sites.

ENERGY AND EMISSIONS

Appropriate climate protection measures are imperative to reduce emissions generated during the extraction and processing of aluminium, and to minimise the effects of climate change. The effects of climate change pose a risk to society as a whole, and at industry level they entail financial risks. The European Union's targets include climate neutrality as a goal for 2050. Austria has already set itself this target from the year 2040. **(GRI 103-1)**

2021 target

- Continuous improvement of energy-related performance as well as reduction of specific CO_2 emissions taking into consideration the Austrian Energy Efficiency Act and national and European CO_2 reduction targets by:
  1. Expanding the Group's own energy production by installing a photovoltaic system with a yield of approximately 6,000 MWh per year
  2. Evaluating potential and optimising the supply chain with respect to CO_2 emissions
  3. Updating the energy and environmental program taking account of new requirements as well as extending the value chain

Management approach

AMAG strives to manufacture aluminium products with a high level of recycled content, thereby using significantly less energy than in primary production. The casthouses and rolling mills are the main energy consumers at the Ranshofen site. Natural gas is utilised in the casthouses to melt and temper aluminium. Significant energy savings have been achieved over the past years thanks to the utilisation of heat from the furnaces to preheat combustion air using regenerative burners. In the rolling mill, most of the electricity consumed is harnessed to drive the rolling mills, and electricity and natural gas are utilised in the heat treatment of aluminium coils and plates.

Energy consumption by area (plants, processes, systems) and influencing factors such as product mix are analysed constantly as part of the energy management system certified according to ISO 50001. Based on this, possibilities to enhance energy efficiency are identified in collaboration with the respective specialist managers. The energy evaluation also takes into consideration past appraisals as well as future energy consumption. AMAG employees also make valuable contributions to environmental protection and efficient energy utilisation as part of the Continuous Improvement Process (CIP).

When procuring energy services and investments that have a significant bearing on energy consumption, energy-related criteria are checked before procurement. In the case of investment projects, the Energy Officer performs this role as part of the relevance test. Suppliers of energy services, products and equipment that have a bearing on significant energy utilisation are informed that the procurement evaluation is based in part on energy-related performance. AMAG purchasing guidelines set out requirements for the purchasing of energy and energy-relevant purchasing criteria for facilities and products. New plants (such as melting and casting furnaces) are state-of-the-art, or exceed existing standards.

Any new equipment or portfolio change that could potentially harm protective interests and cause emissions must be approved by the regulator. As part of the licensing procedure, AMAG consults experts in order to estimate operating plant emissions and their effects. In relation to CO_2 emissions, AMAG casting GmbH and AMAG rolling GmbH are subject to EU emissions trading. Third parties verify the annual emission reports.

With regard to the transportation of products and materials, AMAG endeavours to reduce the negative impact on the environment by optimising logistics processes (e.g. making use of the most modern transport systems, such as transferring transportation to rail, internal transport with electric vehicles). Within the site, Ranshofen has a very well-developed infrastructure for pedestrians and cyclists (pavements and cycle paths, covered cycle parking and charging facilities for e-bikes). In general, the infrastructure for non-motorised traffic at the plant site is being continuously expanded and considerable sums are being invested. The company is also promoting e-mobility by commissioning e-charging stations that can be used by all employees free of charge.

By contrast with greenhouse gases with global impact, air emissions such as dust tend to exert local effects. Compliance with the limits is ensured by the utilisation of exhaust gas purification systems. Controlling is implemented by means of continuous measuring systems at the furnaces in the casthouse and in the rolling mill, as well as by performing individual measurements. The levels are recorded as half-hourly averages and the regulator is informed if limits are exceeded. Besides the greenhouse gas CO_2, the most important AMAG air emissions include nitrogen oxide (NOx), carbon monoxide (CO), organic carbon compounds and dust. Nitrogen oxides arise when burning natural gas at high temperatures in the furnace. Carbon monoxide arises mainly due to incomplete combustion.

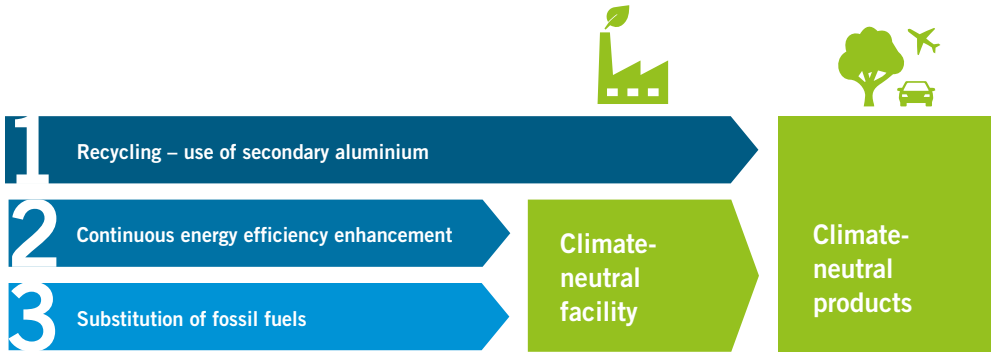
The certification of the environmental and energy management system in accordance with ISO 14001 and ISO 50001, in addition to the CIP system, contributes to continuous improvement and resource conservation. An energy and environmental program aggregates targets and actions to reduce air emissions, wastewater, waste, and energy and resource consumption. The program is continuously monitored and new measures are added annually. Furthermore, state-of-the-art facilities are operated in order to minimise emissions as far as possible. The environmental and energy management system is presented in a management manual defining the structural and process organisation, as well as responsibilities. The related responsibility lies with the Management Systems department, whose head reports to the Chief Operating Officer. **(GRI 103-2)**

Central measures

- Creation of a decarbonisation roadmap
- Enhancing energy efficiency through heat recovery as well as process and plant optimisation
- Saving electricity through more efficient hall lighting
- Raising employee awareness through training and workshops
- Commissioning of the largest rooftop photovoltaic system in Austria

AMAG is clearly committed to climate protection and supports the Austrian policy goal of achieving greenhouse gas neutrality as early as 2040. To this end, a comprehensive roadmap for specific implementation at the Ranshofen site was drawn up in the 2021 reporting year.

The AMAG approach to decarbonisation essentially consists of three stages that build on each other:



- 1. Further development of recycling capabilities to maintain high scrap utilisation rates and low use of primary aluminium: For many years, AMAG has held a leading position in the recycling of aluminium scrap. As a consequence, a significant contribution to the climate-neutral product is already covered by AMAG's central strength as one of the largest recyclers at a single location in Europe. Recycling forms the basis for the manufacture of products with low CO_2 emissions, as this replaces primary aluminium production that is intensive in terms of CO_2. When remelting scrap, just 5 % of the energy needed for primary production is required. AMAG is also committed to material efficiency, in which recycling management is promoted, particularly through closed loop recycling, and value is placed on improved material efficiency. A portion of the production waste generated by the customer is returned to AMAG during the course of closed loop recycling and thereby kept in circulation as valuable material. For this reason, this leading position in recycling is to be further expanded in terms of capacity and expertise.
- 2. More energy-efficient new plants, process optimisations and reduction of heating energy requirements: The second stage is to increase energy efficiency, thereby requiring less energy for the same energy service (e.g. the melting of aluminium). Energy efficiency has long been a focus of AMAG's activities. Contributions to the reduction of greenhouse gases include the purchase of renewable energy. Numerous energy efficiency measures also contribute to reducing specific CO_2 emissions from processes and equipment.
- 3. Substitution: For the remaining CO_2 emissions, the third stage, the substitution of fossil energy sources with climate-neutral alternative energy sources, is applied. The energy transformation represents the major challenge of the coming years. AMAG has already been procuring electricity for the Ranshofen site from 100 % renewable energy since 2018, with the photovoltaic system commissioned in 2021 making a further contribution to climate-neutral electricity generation.

As AMAG remains on a growth path, climate neutrality must succeed despite an increase in volumes. As a consequence, for the time being the general trend that volume increases inevitably correlate with higher emissions must be broken before emissions are continuously reduced by further technical measures and emissions neutrality is finally achieved. The 2017 year was used as the reference year on the path to climate neutrality as this was when the construction of the new plant was completed.

Extensive research activities, improved energy efficiency measures, necessary adjustments to the plant infrastructure, a screening of the supply chain with regard to Scope 3 emissions and, most importantly, the substitution of fossil fuels pave the way to climate neutrality. By 2030, it will thereby be possible to maintain the absolute level of emissions despite a significant increase in volume and to significantly reduce specific energy consumption in relation to production volume.

The proportionally largest reductions in CO_2 emissions are only possible in the period 2030-2040, primarily through the substitution of fossil fuels.

This will require major investments in the plant park, as these will have to be converted for the use of alternative energy sources, or entirely new plants will have to be procured. An essential component of the path is the assumption that the required quantities of green electricity and green fuels such as hydrogen will be provided by external suppliers in sufficient volumes and at internationally competitive prices in a timely manner. This requires R&D measures to carry out melting processes with alternative energy sources. While AMAG is committed to making the contributions to energy generation that are possible – such as through its own PV power generation – this can only cover a small part of actual energy requirements. For this reason, at its Ranshofen site AMAG will continue to depend on large volumes of energy being provided by external suppliers in the future. The first decarbonisation measures were already launched in 2021 with technology workshops (so-called "Future Workshops with Plant Suppliers"). These substitutions are accompanied by continuous further development of recycling expertise in order to keep the scrap utilisation rate high and the use of primary aluminium low.

The greatest leverage in Scope 3 emissions derives from reducing the volume of primary metals required. As actual Scope 3 emissions are highly dependent on the type of electricity generated during melting, potentials in the supply chain in relation to CO_2 emissions were evaluated. The interest held in the Alouette smelter provides a strategic safeguard for access to climate-compatible primary aluminium. However, further development in the primary metal sector and consequently in Scope 3 emissions is very much dependent on external factors such as regulatory and trade measures (e.g. tariffs, Carbon Border Adjustment Mechanism "CBAM").

The photovoltaic system commissioned in 2021 will make a further contribution to climate-neutral power generation. Totalling a 55,000 m^2 collector area, it is the largest rooftop photovoltaic system in Austria and generates 6.7 GWh of electricity per year on the roofs of the new AMAG rolling mill. The photovoltaic surfaces on the roofs are to be successively expanded. The rooftop system is supplemented by ground-level solar arrays. The electricity generated is used exclusively at AMAG and supplements the electricity mix, which has already been 100 % renewable for several years. The green electricity generated in the process can be used by AMAG employees and visitors, among others, to charge electric car batteries at the electric charging stations on the works premises.

In the course of implementing the Energy and Environment Program 2021, work was carried out on boosting energy efficiency in the area of the plants. For example, energy efficiency in melting furnaces

was increased by optimising the melting step in the production of cast alloys and improving exhaust gas routing as part of converting a charging hood.

Various heat recovery measures contributed to the increase in energy efficiency through the use of waste heat, whereby energy can be recovered at one point and reintroduced elsewhere. In order to reduce electricity consumption in buildings, conventional types of lighting in the production halls were replaced with more efficient LED lamps.

A further focus was on reducing electricity consumption for compressed air generation. The measures included systematic leak detection using an ultrasonic leak detector and the expansion of compressed air meters at plants.

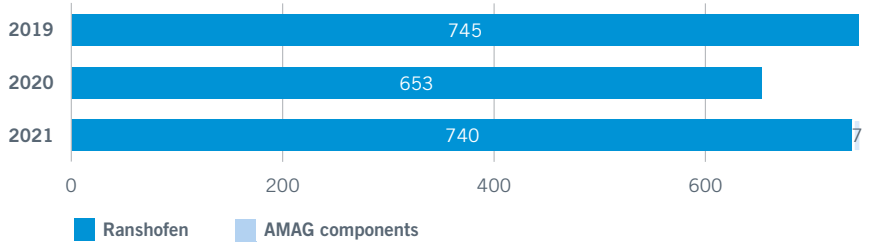
All employees receive information on AMAG's environmental and energy management as part of basic CIP training. Training courses and increased communication in the energy and environment area once again contributed to raising employee awareness in the year under review.

The expansion of covered bicycle parking spaces, which are intended to motivate employees to make greater use of bicycles, made a further contribution to CO_2 savings. In addition, AMAG is committed to providing a safe crossing for all pedestrians and cyclists to traverse the federal highway adjacent to the main entrance. It can be assumed that the potential realisation of this safe crossing will also have a positive effect on ecological mobility behaviour.

Results

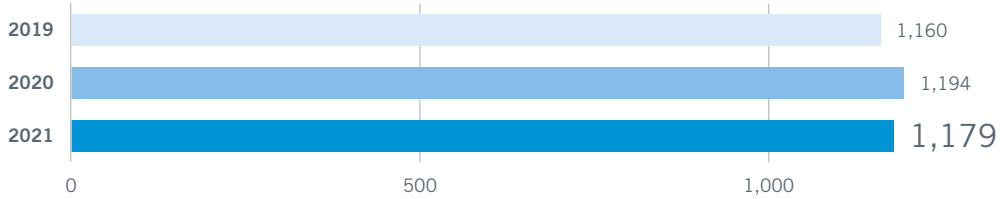
Total energy consumption in 2021 amounted to around 747,100 MWh, of which around 739,600 MWh was required at the Ranshofen site (2020: 653,200 MWh) and around 7,500 MWh at AMAG components in Karlsruhe and Übersee.

Energy consumption in GWh



Energy consumption is calculated as the consumption of fuel from non-renewable sources (natural gas, diesel, heating oil and propane) and electrical energy. In 2021, fuel consumption from non-renewable sources in 2021 amounted to around 502,000 MWh, and electricity consumption stood at around 245,100 MWh. Most of the energy consumed at the two AMAG components sites derives from the purchase of electrical energy (around 6,200 MWh). The respective energy volumes are calculated from the actual measured fuel volumes multiplied by the respective conversion factors.[3] **(GRI 302-1)**

Specific energy consumption in kWh/t at the Ranshofen site



3) Standards, methods and assumptions applied: Lower combustion heat natural gas: 10.22 kWh/Nm³ (2019), 10.11 kWh/Nm³ (by 2018); lower heating value diesel: 9.90 kWh/l; lower combustion heat fuel oil extra light: 10.20 kWh/l; lower combustion heat propane gas: 12.78 kWh/kg (source: standard factors for fuels from the national greenhouse gas inventory to apply Level 2A in Austria)

Specific energy consumption in relation to production volume stood at 1,179 kWh/t in 2021 (2020: 1,194 kWh/t). In deriving the indicator of specific energy consumption, the total energy consumption at the Ranshofen site was divided by the annual production volume. The energy volume includes all energy products that AMAG consumes (electricity, natural gas, diesel, extra-light heating oil, propane). The denominator applied was the sum of the annual production volume in tonnes of the foundry alloy casthouse, the rolling slab casthouse and the rolling mill. The specific energy consumption relating to the production volume amounted to 1,178 kWh/t in the 2017 year defined as the basis. The year 2017 was selected as the base year, as a large part of the AMAG 2020 expansion project had already been commissioned by this time. **(GRI 302-3)**

Energy in the form of renewable fuels (wood chips, biodiesel) and cooling or steam energy is not purchased. AMAG generates heating partly through heat recovery plants from process heat, with the remaining requisite heating being covered by fuel combustion. **(GRI 103-3)**

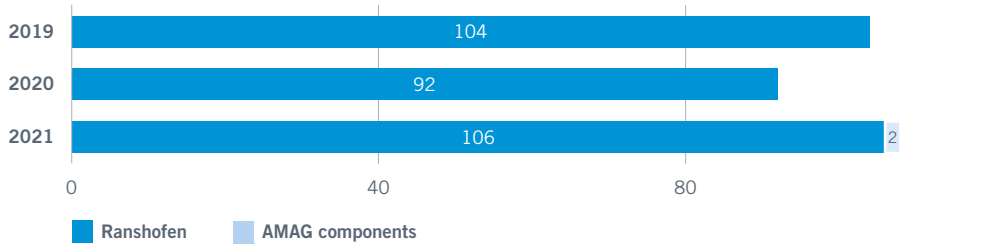
In order to categorise the carbon footprint, the division of emissions into three so-called "scopes" is relevant:

At AMAG, Scope 1 emissions arise, in particular, from the energy-based utilisation of natural gas for the melting, holding and heat treating of aluminium, and for heating buildings, as well as from the use of diesel for the vehicle fleet. The CO_2 emissions are calculated from the actually measured fuel volumes applying the standard factors from the national greenhouse gas inventory.[4]

Scope 2 emissions arise when generating the electricity consumed. These are measured based on data from electricity suppliers on the CO_2 intensity of their electricity generation.

Scope 3 covers all other GHG emissions caused by the organisation's outsourced and upstream operations. The materiality analysis carried out in December 2020 shows that AMAG's significant Scope 3 emissions are primarily generated in the upstream value chain during the production of purchased metals (primary aluminium, rolling slabs, metal alloys) and are approximately a factor of ten greater than AMAG's Scope 1 and 2 emissions.

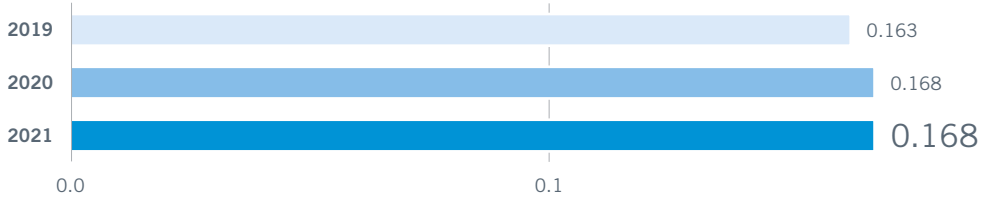
CO_2 emissions in thousands of tonnes



Greenhouse gas emissions (Scopes 1+2) amounted to around 107,400 tonnes in the 2021 reporting year. Of this, the Ranshofen site accounted for around 105,700 tonnes (2020: 92,100 tonnes). Two-thirds of the CO_2 emissions there are generated at AMAG casting in the course of the production of cast alloys and rolling slabs. Most of the emissions derive from the combustion of natural gas (over 90 %). No Scope 2 emissions have been generated in Ranshofen since the 2018 reporting year thanks to the purchase of electricity from hydroelectric power and other renewable sources. At the two AMAG components sites in Übersee and Karlsruhe, Scope 1 and 2 emissions amounted to around 1,700 tonnes. In contrast to the Ranshofen site, the generation mix of the purchased electricity still contains significant shares of fossil generation. In order to reduce these indirect CO_2 emissions and in line with a uniform strategy within AMAG, a switch will be made to renewable electricity at both AMAG components sites in the future. **(GRI 305-1, 305-2)**

4) The location-based Scope 2 emission factor of total domestic electricity generation in 2019 was 0.000258 t CO_2/kWh, for Germany 366 g/kWh (sources of emission factors: Environment Agency Austria, German Federal Environment Agency). The market-based Scope 2 emission factor amounted to 0 t CO_2/kWh in 2020 (source: electricity suppliers). In 2021, location-based Scope 2 emissions amounted to 48,400 tonnes of CO_2. CO_2 is the greenhouse gas included in the calculation. The total annual energy consumption in 2017 (697,400 MWh) represents the current energy basis. Standards, methods and assumptions applied: Natural gas: 0.00204608 t CO_2/Nm³, diesel: 3.15436 t CO_2/t, heating oil: 3.20250 t CO_2/t, propane gas: 2.94400 t CO_2/t (source: standard factors for fuels from the national greenhouse gas inventory to apply Level 2A in Austria)

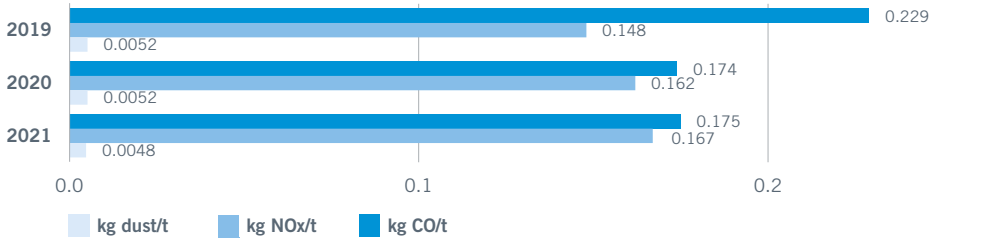
Specific CO_2 emissions in t CO_2/t at the Ranshofen site



Specific CO_2 emissions (Scope 1 + 2) at Ranshofen in relation to production volume (tonnes of CO_2/t) amounted to 0.168 tonnes of CO_2/tonne in 2021 (2020: 0.168 tonnes of CO_2/tonne). **(GRI 305-4)**

For reasons of materiality, only upstream emissions from the purchase of primary aluminium, rolling slabs and metal alloys were included in the calculation of Scope 3 emissions in 2021. The factor of 8.6 tonnes CO_2eq/t of aluminium consumed in Europe, as cited in the European Aluminium's "Environmental Profile Report", was applied for the calculation.[5] This covers direct processes and auxiliary processes, thermal energy, electricity and transport. For the calculation of Scope 3 emissions at AMAG components, the upstream emissions from the purchase of aluminium rolled parts were taken into account and the estimated factor of 9.3 tonnes of CO_2eq/t of aluminium used was used for this purpose. In the 2021 reporting year, Scope 3 emissions amounted to 1,253,800 tonnes of CO_2eq (2020: 1,072,000 tonnes CO_2eq). As the actual Scope 3 emissions are highly dependent on the type of electricity generated during melting, these emissions will no longer be calculated using the industry average, but instead will be assessed on a smelter-specific basis in the future. This is done by accessing data from market analysts, among other sources. By optimising the supplier portfolio in the primary aluminium sector, a reduction in average CO_2 emissions is to be achieved by 2030. **(GRI 305-3)**

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



For reasons of materiality, air pollutant emissions are only listed for the Ranshofen site. With regard to nitrogen oxides (NOx), the absolute amount of emissions increased from 88 tonnes in 2020 to 105 tonnes in 2021. Specific emissions rose to 0.167 kg NOx/t in 2021 (2020: 0.162 kg NOx/t).

With a view to carbon monoxide (CO), the absolute emission amount increased year-on-year from 95 in 2020 to 110 tonnes in 2021, and the specific emission value for carbon monoxide also increased from 0.174 kg CO/t in 2020 to 0.175 kg CO/t in 2021. The absolute emission amount for dust increased from 2.9 tonnes in 2020 to 3.0 tonnes in 2021. Specific dust emissions decreased to 0.0048 kg dust/t in 2021 (2020: 0.0052 kg dust/t).

The annual volume of emitted pollutants is calculated by multiplying the results of individual measurements by the gas consumption or the operating hours of the respective plant. No significant cases of a limit being exceeded were registered in the year under review. **(GRI 305-7, 103-3)**

5) See European Aluminium, https://european-aluminium.eu/resource-hub/environmental-profile-report-2018/

Further targets and next steps

- Continuous improvement of energy-related performance as well as reduction of specific CO_2 emissions taking into consideration the Energy Efficiency Act and national and European CO_2 reduction targets by implementing the AMAG decarbonisation roadmap:
- Scope 1+2: Reduction in CO_2 emissions by 40 % (specific) and 20 % (absolute) by 2030 (base year 2017) with the goal of climate-neutral production by 2040
- Scope 3: Reduction in average specific CO_2 emissions from the primary aluminium upstream supply chain by 20 % by 2030 (compared to 2018-2020)
- Reduction of Scope 2 emissions through conversion to renewable electricity procurement at the two AMAG components sites

WATER

Attention is paid to sustainable and prudent water utilisation. Water is used at AMAG particularly for cooling during the casting of rolling slabs. The cooling water is circulated. Improvements to the recirculation systems have kept water consumption and specific service water withdrawal constant over the years.

2021 target

- Efficient and economical usage of water; limiting specific water withdrawal to 6 m^3/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill

Management approach

The water supply at the Ranshofen site is ensured by two service water wells and one drinking water well. AMAG is located on a groundwater body whose water drains into the Inn River at a rate of approximately 20-40 l/sec and 100 m flows below the plant premises. The permitted use of industrial water is based on a withdrawal quantity determined by the respective authority for AMAG. Groundwater withdrawal is monitored, including by means of groundwater level measurements.

The groundwater can be utilised directly in AMAG without chemical treatment and without transportation over long distances.

A large proportion of the water extracted is utilised for cooling as part of casting, rolling and heat treatment processes and is thereby only thermally loaded – specifically, this means that a large part of the water that is utilised is only heated, and neither consumed nor contaminated. A very small proportion of the water used is chemically contaminated. This operational effluent is treated in effluent treatment plants and the discharge is continuously monitored by measuring essential parameters. If the measured value is exceeded due to impurities, the water is automatically directed into a separate basin, from where it is disposed of. In addition to ongoing measurement via probes, effluent samples are examined for a large number of parameters as part of certified monitoring by internal and external laboratories. Rainwater is largely drained at the AMAG site. This corresponds to natural seepage and serves to preserve the groundwater body. Some of the rainwater is discharged into the Inn River via a storm sewer together with cooling and quenching waters. Drinking water is withdrawn solely for the purpose of drinking water supply and sanitary use. The wastewater is fed to the Braunau wastewater treatment plant via a domestic wastewater sewer.

In total, an area of around 4 ha of the plant site has been set aside as a seepage basin. Around 100 ha of roof and other areas of the works premises are drained via these seepage basins. The controlled retention of precipitation into the seepage basins also reduces the risk of flooding at the site and contributes to flood protection. Several heavy rainfall events have already clearly shown that the facilities that have been constructed can cope well with the water volumes generated through collection, as well as through controlled and continuous discharge into the ground. Both the plant site itself and the town of Ranshofen are thereby sustainably protected from potential flood damage, as local sewer systems are relieved. All rainwater seepage systems have been approved by water or commercial authorities. Soil samples are also taken at regular intervals and examined by a certified laboratory for a large number of parameters so that the proper functioning of the basins and troughs can be verified, and soil contamination ruled out. **(GRI 303-2, 303-1)**

Central measures

The Ranshofen site has been working on the implementation of sustainable rainwater management for several years. To this end, numerous seepage basins have been created on the plant site.

In the 2021 reporting year, further, quantifiable optimisation potentials to reduce the use of service water were identified and an action plan was drawn up for this purpose. The improvements primarily relate to the further closure of cooling water circuits at existing plants, which will enable water

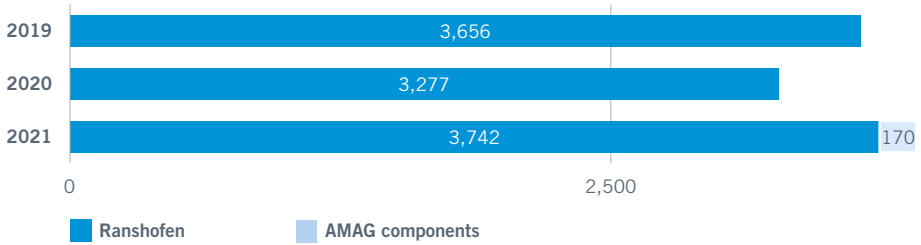
consumption to be further reduced. Most of the plants are already equipped with closed cooling water circuits, and new plants will only be designed on this basis.

The treatment of operational wastewater is a central component of environmental protection activities. The discharge of wastewater is continuously monitored.

Results

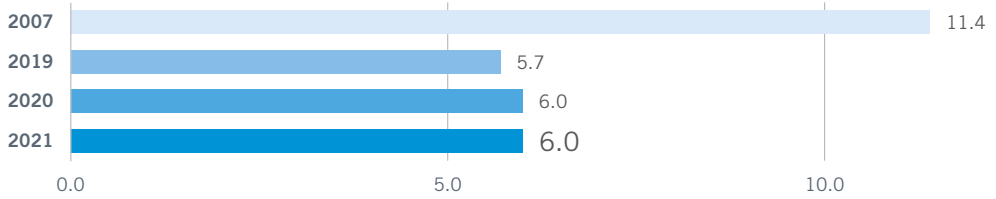
The expansion of closed loop cooling systems has made it possible to keep water consumption stable, despite rising production volumes in recent years. The withdrawal quantity less evaporation losses via the cooling circuits corresponds to the wastewater quantity. The water withdrawal is based on a withdrawal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

Total water withdrawal in thousands of m³



The total service water withdrawal for AMAG in 2021 amounted to around 3,912,700 m³, of which the Ranshofen site accounted for around 3,742,400 m³ (2020: 3,277,000 m³). For the purpose of multi-year comparison, the total water withdrawn in 2007 was added to the bar chart.

Specific water withdrawal in m³/t at the Ranshofen site



Specific water withdrawal in 2021 amounted to 6.0 m³/t (2020: 6.0 m³/t). Drinking water production amounted to 62,000 m³ (2020: 77.400 m³). Water withdrawal including on-site contractors amounted to 4,225,000 m³ (2020: 3,751,000 m³). **(GRI 303-3)**

Further targets and next steps

- Efficient and economical usage of water; limiting specific water withdrawal to 6 m³/t while increasing the vertical depth of manufacture of the Ranshofen facility with recycling, casthouse and rolling mill
- Next steps: Implementation of the set of measures to reduce the use of service water

WASTE

2021 target

- Avoidance or reduction of waste; production-specific waste volume < 16 kg/t

Management approach

In the manufacture of products, as well as in the performance of production processes and other activities, attention is paid to environmentally sound waste management. Procedural instructions regulate waste management (with the exception of scrap) in the production and administrative areas, and are binding for all AMAG companies at the Ranshofen site.

A particular focus is placed on disposal of hazardous waste (such as used oil, emulsions, workshop waste and filter dust, etc.) in compliance with statutory requirements. Waste law managing directors have been appointed for the collection of hazardous waste, and individuals have been appointed with responsibility for non-hazardous waste. Waste officers are responsible for monitoring compliance with waste legislation, and are required to report to management in this capacity.

Waste is recorded entirely according to waste type and volume for the purpose of traceability in accordance with the Austrian Waste Documentation Ordinance, and is transferred to licensed companies for disposal and treatment within the framework of the legal provisions.

As part of the smelter operation at the Ranshofen site, which was discontinued in 1992, various types of waste were sent to a landfill. AMAG continuously implements the aftercare of the landfill, which is recorded in the register of contaminated sites. The leachate produced in the landfill is treated on the plant premises, and the groundwater in the vicinity of this landfill is monitored at regular intervals. The company is also aware of other former landfills that are included in the register of potentially hazardous sites. In addition, AMAG owns a disused landfill in Furth im Walde, Germany, which is now in the renaturation stage. AMAG is required to submit annual reports to the relevant authorities on the environmental state of the site and precautionary measures taken.

Salt slag is the most significant type of waste in terms of volume at AMAG. The recycling of contaminated scrap requires the application of special salts to provide protection against oxidation and to remove and separate the oxidic and non-metallic contaminants. This generates salt slag, all of which is recycled by specialist companies. Delivery to the recyclers is by rail. As a consequence, no waste is left over for disposal after processing. The oxidic residue is utilised in the cement industry, for example. **(GRI 103-2)**

Central measures

Construction of the new intermediate waste storage facility, including a new hall to improve waste management, was completed in 2021. This is where waste is centrally weighed and digitally recorded according to type, quantity, origin and location. The incoming inspection of delivered waste also takes place there.

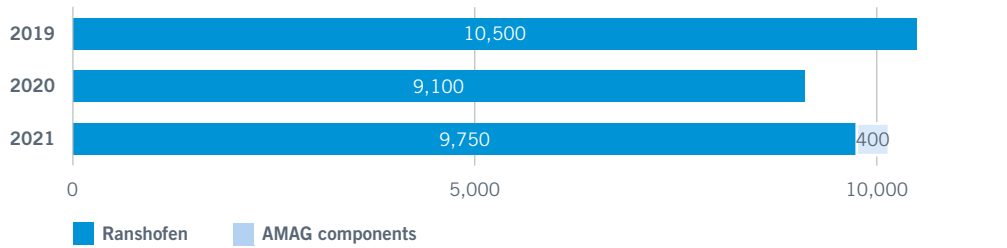
In the 2021 reporting year, work began on renewing more than four kilometres of the siding's railway track sleepers, replacing more than 6,000 wooden sleepers with concrete sleepers. The factory premises are connected to the public rail network through an extensive internal rail infrastructure. Choosing concrete is a sustainable approach, as wooden sleepers must be disposed of as hazardous waste due to tar constituents. This significantly extended the life of the rail network and took the importance of rail transport into consideration.

The use of washable and consequently reusable cleaning cloths instead of disposable materials represented a further waste reduction measure.

Alternative disposal methods were evaluated for improved filter dust disposal. In addition, investigations of suspected contaminated sites at the Ranshofen site were carried out on behalf of the Austrian Environment Agency. Initial sampling was conducted and further investigation was determined based on the report of findings from the Environment Agency Austria. These will be implemented in 2021 and 2022.

Results

Total waste volume in tonnes

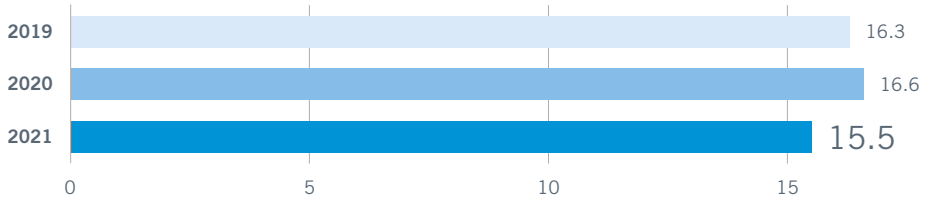


The volume of waste generated in 2021 at the Ranshofen site amounted to 9,750 tonnes (2020: 9,100 tonnes), of which 4,950 tonnes were classified as hazardous and 4,800 tonnes as non-hazardous.[6] In the process, 69 % of the non-hazardous waste (e.g. waste wood, iron and steel waste) was recycled and 31 % disposed of. Of the hazardous waste (e.g. used oil, filter dust), 7 % was recycled and 93 % disposed of.

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

AMAG components generated a total of around 400 tonnes of waste.

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



Specific waste volumes in relation to production volume amounted to 15.5 kg/t in 2021 (2020: 16.6 kg/t). **(GRI 306-2)**

The figures do not include:

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

Further targets and next steps

- Avoidance or reduction of waste; production-specific waste volume < 16 kg/t at the integrated Ranshofen site
- Next steps: Evaluation of reduction potentials

BIODIVERSITY

The preservation and promotion of biodiversity are important components of AMAG's commitment to sustainability. AMAG focuses on green space management on the company premises and the forest management of its own forest.

2021 target

- Promotion of biodiversity at the Ranshofen site

Management approach

AMAG owned a land area of around 300 hectares in the 2021 reporting year. The industrially built-up area amounts to around 100 hectares. Around 180 hectares form part of the company's own forest, which in turn forms part of the Lachforst woodland complex and is managed under the supervision of a forest warden. The "Unterer Inn" and "Buchenwald" nature reserves, the "Auwälder am unteren Inn" fauna-flora-habitat area (FFH area) and the "Salzachmündung" bird sanctuary in Bavaria, which are subject to strict nature conservation guidelines, are just a few kilometres away. Influences such as the previous forest management with non-native spruces, climate change with attendant higher annual mean temperatures, as well as the growing volume of damaged wood have necessitated a related rethink and "conversion" of the woodland.

The current forest management team is making use of this initial situation in order to make the woodland more stable and diverse. AMAG's forest is not regarded as a commercial woodland, where the focus is on economic returns. Rather, the aim is to achieve sustainable management that continuously promotes the woodland's ecological value. For this reason, over the past few years recommendations on goals and measures for forest management have been formulated together with a technical expert. Biodiversity is made measurable in the medium term on the basis of six selected indicators:

- Deadwood: Increasing the proportion of standing and lying deadwood of natural tree species in the forest
- Older wooded areas: Increasing in the proportion of older trees (especially old, large-crown deciduous and biotope trees)

- Forest structure: Promotion of well-structured, differently aged, stable and climate-compatible mixed forest areas by continuously increasing the proportion of native hardwood species and rare woody plants and shrubs
- Woodland edges: Promotion of well-structured and zoned, embayed woodland edges through introducing rare and endangered tree and shrub species, creation of bays and zoning (shrub belts and peripheral zones of woodlands)
- Biotopes to promote valuable small and wetland habitats
- Promotion of rare or endangered animal and plant species, for example through introducing rare tree species and creating flower meadows on company premises

The green areas at the AMAG plant site cover around 27 hectares. They are designed as meadows, rainwater infiltration, lawns and protective walls. By maintaining and caring for green areas on the company premises in accordance with ecological criteria, a contribution is made to the promotion of biodiversity. In its construction activities, AMAG endeavours to minimise as far as possible its interventions into nature, and protect animals and plants in their habitat. Open spaces are designed according to their nature conservation and open space design potential. A major contribution is made to the protection of insects by eliminating the use of pesticides and fertilisers on green areas. The preservation of green spaces thereby forms one of the basic requirements of biodiversity-promoting and climate-adapted green space management.

The design and maintenance of green areas is carried out according to ecological and economic aspects, taking into account the following relevant aspects:

- Promotion of biodiversity
- Surface water seepage and areas with protective purposes (noise protection, visual protection, etc.)
- Adaptation of vegetation to an increase in heavy rainfall, temperatures, and storms due to climate change, or mitigation of such impacts by vegetation
- Occupational safety and social aspects (e.g. open spaces available for use during work breaks)
- Areas with representative character

The re-utilisation of existing buildings and infrastructure is preferable to new constructions; furthermore, vacant buildings and paved outdoor areas are avoided. Additional creation of impervious surfaces must be examined against this goal, as well as integrated into the existing overall concept for surface water seepage.

Constant dialogue and communication with proven experts and cooperation with research institutions such as the Vienna University of Natural Resources and Life Sciences and the Upper Austria-Salzburg Beekeeping Association are also important cornerstones for biodiversity enhancement. **(GRI 304-1)**

Central measures

AMAG has already implemented numerous measures in recent years as part of forest and green space management, including the conversion and upgrading of the “Lochnerfeldstrasse”. Some old buildings in poor structural condition, which used to serve as housing for employees, were almost completely demolished. Flower meadows were planted in the newly created and surrounding open spaces to serve as bee pasture. The establishment of ten beehives on the AMAG flower meadows in Lochnerfeldstrasse and at the AMAG north entrance exemplify biodiversity and the further development of AMAG green areas according to ecological criteria. By taking over the sponsorship of the beehives on the AMAG plant premises, the Upper Austria-Salzburg Beekeeping Association is also supported in its scientifically supervised varroa mite tolerance breeding project with the aim of breeding resistant, healthy bees. The information boards that have been set up and the rest areas along the frequently used bike path have been well received.

The transformation of monotonous lawns into species-rich meadows represents a further measure. Within the plant area, mostly tall oat grass meadows that are typical of the area have been established. Dams and embankments have been planted with shrubs or are deliberately left unplanted in order to serve as a valuable “ruderal area” (raw soil area).

Individual trees planted within the company grounds not only serve as visual landscaping, but also provide habitat and food for animals (e.g. insects and birds) and improve the microclimate of the paved open spaces by providing shade. In the course of further planning, AMAG decided to call upon experts and institutions to provide technical support for the green space concept as part of a project, and to put it on a scientifically sound footing.

Overall, forest management has been busy in recent years with recovery from various damages. The promotion of biodiversity and the creation of a climate resilient forest occurred mostly on a reactive basis. Nonetheless, a significant emphasis has been placed on this goal in the course of damage reconditioning and other management activities. For example, no new spruce woodlands have been planted for some time in order to continuously reduce the proportion of spruce, which currently stands at around 65 %. Instead, mixed areas consisting of at least four tree species were promoted. The planting consists of native hardwood species such as common oak, copper beech and other deciduous trees, in particular, with an admixture of non-native hardwoods such as red oak and black walnut.

This makes the forest more resilient to climate change and reduces operational risk in the long term. Where possible, natural regeneration is used.

Furthermore, initial considerations and outline plans concerned the creation of a "forest island" as a recreational facility for employees and the regional population, as well as the creation of a forest nature trail for educational purposes. To the north of the plant site, the remains of a forced labour camp built during the National Socialist era were listed by the Austrian Office for the Protection of Monuments in the 2021 reporting year. According to a notice issued by the province of Upper Austria, it represents the only full-scale evidence of a forced labour camp for the construction of large-scale industrial plants during the Third Reich and is considered a typical example of contemporary Austrian history. AMAG undertook the protection of the pits and shafts.

Results

The following table lists the strategic directions and measures taken in the biodiversity area in the 2021 reporting year:

	Scope	Measure
	10,100 m²	Establishment of new flower meadows with different native seed mixtures
	7,600 m²	Reforestation of a temporarily cleared area at AMAG (north seepage basin with black alder)
	19,000 m²	Reforestation with a mixed tree population in the AMAG forest (the tree population was affected by the dying out of young ash shoots, bark beetle infestation, storm damage)

Further targets and next steps

- Target: Promotion of biodiversity at the Ranshofen site; development of the AMAG forest into a climate-compatible mixed forest area including preparation of a regular progress report
- Next steps: Implementation of green space maintenance in accordance with the maintenance concept defined in 2021 (e.g. specifications for mowing, no use of fertilisers and pesticides, etc.); preparation of a forest management plan by the Vienna University of Natural Resources and Life Sciences, with special consideration given to biodiversity criteria; assessment of AMAG green spaces by an external expert, preparation of a report and derivation of further measures where necessary

HANDLING INCIDENTS

Along with monitoring environmental effects of normal operating activities as part of certified environmental management, processes regulating the handling of anomalies have also been implemented. Corresponding environmental incident and crisis management regulates responsibilities and measures in the event of unforeseen operating circumstances. In order to comply with the legal requirements of the Austrian Environmental Information Act (UIG), current environmental measurement data are posted in front of the plant premises.

The primary objective is to prevent the inadvertent release of substances, and thereby rule out potential harm to people and the environment. In the 2021 reporting year, one incident occurred that was responded to quickly. The measures taken prevented further significant environmental impacts. After a spill of rolling emulsion due to the failure of a filter on the hot quarto mill stand, small amounts of emulsion entered the storm sewer. Most of the emulsion was pumped out by the company's own fire department and disposed of correctly. **(GRI 307-1)**

SOCIAL ENGAGEMENT

PERFORMANCE

- AMAG Social Award for 2021: A total of EUR 24,000 generated to support social projects in the region
- Around EUR 60,000 spent on digitalisation in the training sector
- Major orders worth EUR 109.3 million placed in Upper Austria

As a company, AMAG benefits from stable social conditions such as a strong education system, an environment offering quality of life, and social equilibrium. For this reason, social engagement forms an important element of AMAG's corporate culture. Contributions to the establishment or maintenance of social conditions are considered essential, and the company's role as a responsible member of society is taken seriously. The objective of social compliance is to achieve a balanced mix of as many stakeholder groups as possible.

Companies' social engagement is demonstrated in many ways – whether as a responsible company that supports the corporate environment through donations and sponsorship, or in participation in initiatives, associations and interest groups to share knowledge and contribute to the development of standards. AMAG cooperates with industry and aluminium associations in order to create a level playing field in aluminium production, among other objectives. It also supports the development of international framework legislation on climate change and greenhouse gas emissions, and actively participates in the debate on solutions to these challenges. Furthermore, AMAG is actively involved in initiatives aimed at promoting the recycling of aluminium and material responsibility. In 2021, AMAG was a member of the following associations and lobby groups, among others:

- AAI Austrian Aeronautics Industries Group
- GDA – Aluminium Germany
- ASI – Aluminium Stewardship Initiative, an initiative to create a sustainable standard for the aluminium value chain – from responsible corporate management through to meeting environmental standards as well as social standards
- ASMET – Austrian Society for Metallurgy and Materials
- Automobil Cluster – cross-sector network to support automotive sector companies
- BDLI – German Aerospace Industries Association
- BIR – Bureau of International Recycling
- Christian Doppler Research Association
- C.I.R.A. – Cercle Investor Relations Austria
- EA – European Aluminium
- GDMB – Society for Mining, Metallurgy, Resource and Environmental Technology
- ÖGfZP Austrian Society for Non-destructive Testing
- Federation of Austrian Industries (IV)
- ÖVFA – Austrian Association for Financial Analysis and Asset Management
- respACT – Austrian business council for sustainable development
- VDM – German Association of Metal Dealers
- VNL – Association for Network Logistics
- WGM – Semifinished Metal Products Wholesalers Association

(GRI 102-13, 102-12)

COMMUNITY RELATIONS

Relations with neighbouring and local communities focus on AMAG's positioning as a socially responsible company and on respectful and transparent communication.

2021 target

- Continuous and systematic analysis of stakeholder issues and expectations

Management approach

AMAG contributes to the promotion of the common good through the deployment of financial resources, material donations and donations in kind, personal involvement and voluntary initiatives, and fulfils its social responsibility as a leading company in the region. The building blocks include donations, sponsoring and the commitment of employees.

Donations and sponsoring are used especially to support organisations and initiatives that serve the common good and are in line with AMAG's code of conduct and anti-corruption guidelines. Sponsoring activities are conducted in accordance with the "Corporate Communications and Public Relations" guidelines. A target group-oriented approach is adopted when carrying out sponsoring measures. Processing and approval are handled by the Group Communications function. All donations and sponsorship payments are properly documented in sufficient detail. The final decision to conduct fundraising and sponsorship activities rests with the CEO.

AMAG aims to have a positive impact on society in the region with its four project areas of education, social affairs, sports and culture. The funding projects are geared to long-term impacts. The development and further training of children, young people and adults is promoted as part of educational sponsorship. A multitude of projects in the social area are supported, also as part of the AMAG Social Prize. A further part of the spending is devoted to sport, in particular youth development and local sporting events. Various cultural institutions are supported as part of cultural sponsorship.

Employees are encouraged to support responsible and sustainable behaviour by becoming socially involved as part of the annual AMAG Social Award. The main aim is to highlight the value of voluntary work. Employees are invited to submit social projects for consideration by an independent jury which decides whether to provide support. The key criterion is that aid should directly benefit disadvantaged individuals or people in need within the region. Support is given in the form of financial or in-kind donations to organisations (such as hospitals or nursing homes) or individuals.

Central measures

In the 2021 reporting year, the AMAG Social Prize was presented for the fourteenth time. In total, the AMAG Social Prize 2021 generated around EUR 24,000 in support for social projects in the region. In addition to the winning project, which supports the palliative work of the Red Cross in Braunau, four further social projects were approved for implementation. These include:

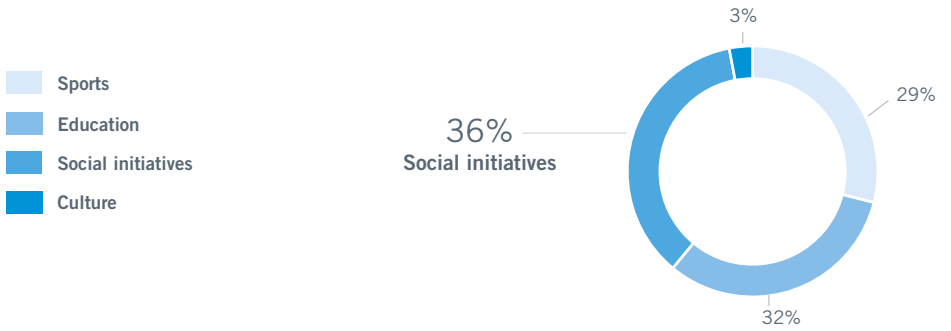
- The purchase of a handicapped-accessible cot
- Setting up the premises for afternoon care for kindergarten and primary school children in the municipality of St. Johann am Walde
- The purchase of a climbing hexagon for the Munderfing primary school to create outdoor exercise opportunities for the children
- The assumption of the costs for a "Children's Lab" in the Handenberg kindergarten, where children can engage in research and experimentation

AMAG's digitalisation initiative at schools represented an important contribution to educational sponsoring. Compulsory and secondary schools in Braunau, Ranshofen and Neukirchen an der Enknach were supported with modern hardware (laptops, tablets, whiteboards) and services (increased Internet bandwidth). In total, around EUR 60,000 was spent on digitalisation in the training sector in the 2020-2021 period.

A large part of the support in the sports area was devoted to the regional sports club WSV-ATSV Ranshofen.

Results

Donations and sponsoring expenses in %



Approximately EUR 87,000 in support payments were made in the 2021 financial year. A total of 36 % of donations and sponsorship spending went to the social sector, and around 32 % of support went to education and 29 % to sports. Only 3 % of donations and sponsorship activities went to the cultural sector due to the cancellation of cultural events in the wake of the COVID-19 pandemic.

Further targets and next steps

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

› Next steps: Establishment of an “AMAG Forum” for low-threshold access to information and as a communication platform; intensification of cooperation with the Red Cross Braunau

REGIONAL VALUE CREATION

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

2021 target

› Promotion of local value creation

Management approach

For AMAG, the most ecological and fair procurement possible of raw materials and supplies forms part of sustainable corporate management.

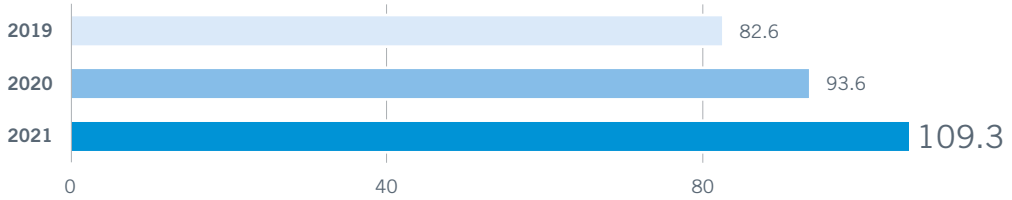
The purchasing department is responsible for the centralised purchasing of tangible assets, services, and supplies for all AMAG companies at the Ranshofen site. In addition to competitive prices, quality, reliability and flexibility, ecological and social aspects are taken into consideration in purchasing decisions. A set of binding purchasing guidelines for supplies, overhead materials, capital goods, services and energy defines the central purchasing principles and procedures. This stipulates that all suppliers must comply with the compliance rules for AMAG suppliers. Furthermore, suppliers are required to comply with the legal and internal regulations on environmental protection and occupational health and safety. With the help of an SAP assessment based on a points system, suppliers are evaluated according to the criteria of logistics, quality, supply relationship and information security. A- and B-suppliers (according to purchase volume) as well as defined C-suppliers (of production-related materials) are to be assessed at least annually and notified in writing if they fall below the minimum number of points.

Central measures

In the purchasing process, emphasis is placed on regional added value. In the 2021 reporting year, for example, numerous contracts were awarded to regional suppliers (e.g. workwear, photovoltaic system, electrics, hall lighting, transport logistics, etc.). More than two thirds of the suppliers of property, plant and equipment, services as well as auxiliary materials and supplies come from Austria.

Results

Expenditures for local suppliers in Ranshofen in EUR million



In the 2021 financial year, significant orders worth EUR 109.3 million were placed in Upper Austria (2020: EUR 93.6 million), of which EUR 64.7 million were placed in the Innviertel region (2020: EUR 49.1 million). Thanks to the high proportion of orders awarded locally and the prominent presence of suppliers’ personnel at the site (accommodation, gastronomy, commerce), companies within the region and the federal state of Upper Austria benefit from the growth path of AMAG. **(GRI 204-1)**

Further targets and next steps

› Target: Promotion of local value creation
› Next steps: Development of calculation procedures for emission indicators for transport modes used (truck, sea, rail and air freight), revision of purchasing guidelines in relation to local suppliers

INFORMATION ABOUT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES ACCORDING TO THE EU TAXONOMY REGULATION

Pursuant to the EU Taxonomy Regulation (EU) 2020/852, the AMAG Group is required to disclose three key performance indicators – turnover (revenue), capital expenditure (CapEx) and operating expenditure (OpEx) – in connection with the economic activities within the AMAG Group that are eligible for EU Taxonomy. In order to determine such eligible activities, AMAG examined all activities listed in the EU Taxonomy. Each economic activity was assessed as to whether it was an activity listed in Annex I or II.

The following main revenue-generating activities were derived from this analysis:

- Production of aluminium by primary aluminium process (bauxite) by the smelter in Canada (Metal Division)
- Production of secondary aluminium from aluminium scrap by the Casting and Rolling divisions
- This does not include the processing of purchased rolling slabs, the revenue of AMAG components, or the revenue of the Service Division

In the area of capital expenditure (CapEx) and operating expenditure (OpEx), further taxonomy-eligible activities were identified. These have been summarized as "Other" in the table. CapEx comprises mainly rail infrastructure, installation, maintenance and repair of renewable energy technologies, and the manufacture of energy-efficient building equipment. The OpEx area mainly comprises the renovation of existing buildings and the replacement of wastewater collection and treatment systems.

IN EUR MILLION	Turnover	%	CAPEX	%	OPEX	%
Taxonomy-eligible activities						
Manufacture of aluminium through primary alumina (bauxite) process	285.8	**23%**	15.9	**21%**	8.6	**12%**
Secondary aluminium recycling	838.1	**67%**	44.7	**60%**	52.1	**74%**
Other			4.3	**6%**	0.9	**1%**
	1,123.9	**89%**	**64.8**	**87%**	**61.6**	**87%**
Taxonomy-non-eligible activities	135.5	**11%**	10.1	**13%**	8.8	**13%**
TOTAL	**1,259.4**	**100%**	**74.9**	**100%**	**70.5**	**100%**

The survey of related revenue, CapEx and OpEx was carried out on the basis of the information available in the IT systems in close coordination with the respective production areas. Total revenue relates to the consolidated revenue as presented in accordance with the IFRS consolidated financial statements as of December 31, 2021. The total amount of CapEx includes additions to property, plant and equipment and intangible assets as well as additions to assets under construction and rights-of-use in accordance with IFRS 16 as presented in the consolidated statement of changes in non-current assets in 2021. Total OpEx relates to expenses for research and development, leasing and training/retraining. Expenses for building renovations and maintenance and repair include the costs recognised in other operating expenses. The direct personnel costs included in personnel expenses are not included at present, and will be evaluated during the course of the next financial year.

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

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

Conformity in the production of primary aluminium is subject to stringent regulations (staggered for 2022-2025, from 2025). This may lead to classification as an activity that is not in conformity with the taxonomy. From today's perspective, the activities in the area of secondary aluminium production can be classified as is conformity with the taxonomy.

ECONOMIC ENVIRONMENT

ECONOMIC TRENDS

At the beginning of 2021, the economic environment continued to be noticeably affected by the COVID-19 pandemic. The later part of the year registered a strong increase in economic activity, which was offset by a sharp increase in COVID-19 infections, particularly from the end of the third quarter of 2021 onward.[7] Economic and confidence indicators clearly reflect the economic upturn in 2021. The Purchasing Managers' Index for Manufacturing[8] reported positive sentiment throughout 2021, despite the slowdown, especially towards the end of the year. The rapid increase in economic activity has also led to a good order trend within the AMAG Group from numerous sales markets.

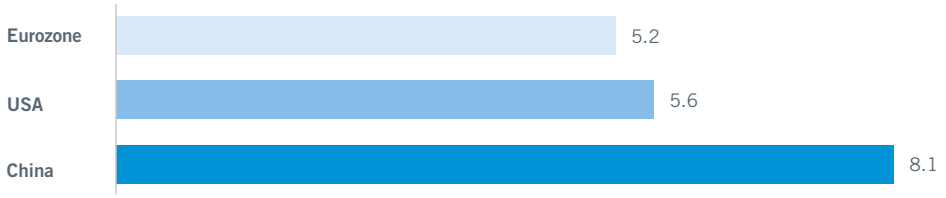
In its macroeconomic growth estimates for 2021, the International Monetary Fund (IMF) expected growth across all countries, in some cases strong, which will have more than offset the previous year's negative trend.[9] After a decrease of 3.1 % in 2020, the IMF forecasts that global GDP will have grown by 5.9 % during 2021 as a whole, with the caveat that not all economies would have been able to compensate for the previous year's economic contractions. Impaired supply chains negatively affected industrialised nations, in particular. Likewise, according to the IMF, developing countries are particularly impacted by the increasing momentum of the COVID-19 pandemic. Differences in vaccine availability, vaccination progress, and policy support also influence GDP trends in each nation. In general, the IMF points to the uncertainties due to COVID-19 virus mutations and the significant uptick in inflation. Above all, considerably higher raw material and energy prices in some areas as well as a scarcity of various goods, such as semiconductors, are largely responsible in this context.

As far as country-specific GDP forecasts for 2021 are concerned, a significant projected increase was evident for industrialised nations, especially in the USA with 5.6 % (2020: -3.4 %). The Eurozone was unable to fully compensate for the previous year's 6.4 % decrease, and grew by 5.2 % in 2021, according to IMF estimates. While Germany was forecast to have grown by 2.7 %, economic growth in Italy (+6.2 %), France (+6.7 %) and Spain (+4.9 %) was expected to have been somewhat stronger in 2021, following significantly greater losses in the previous year.

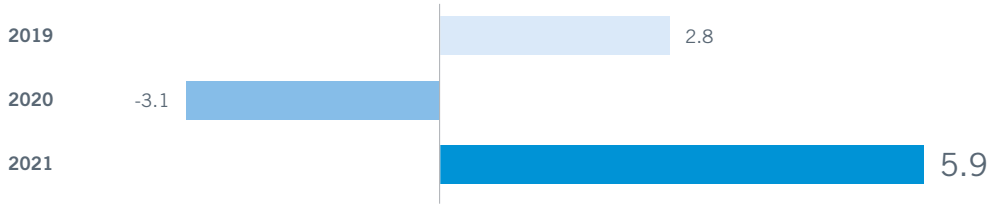
According to forecasts of the Austrian Institute of Economic Research, real GDP growth of 4.1 % was expected for Austria in 2021 (2020: -6.7 %).[10] The strong economic recovery, especially since the lockdown measures were lifted in the first quarter of 2021, was cited as a key driver of this performance. This positive trend was dampened by the renewed increase in new COVID-19 infections and associated fourth lockdown towards the end of the year.

According to IMF estimates, the economy in the group of emerging and developing countries reported the highest economic growth in 2021, with an average increase of 6.5 % (2020: -2.0 %).[11] In particular, high expected GDP growth in China (+8.1 %) contributed to this positive performance (2020: +2.3 %).

Real economic growth 2021 in a country comparison in %



Real global economic growth in %



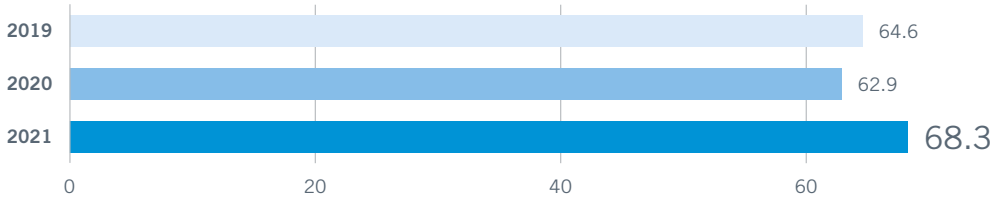
7) See IMF, World Economic Outlook, January 2022
8) See Bloomberg, January 2022
9) See IMF, World Economic Outlook, January 2022
10) See WIFO, press release on the "Forecast for 2021 to 2023", December 2021
11) See IMF, World Economic Outlook, January 2022

DEMAND FOR ALUMINIUM PRODUCTS

The global demand trend for primary aluminium and aluminium rolled products is of central importance to the AMAG Group, primarily due to the globally active Metal and Rolling divisions. Following COVID-19-related setbacks in the previous year, demand for aluminium products performed very well in the reporting year. Thanks to a multitude of positive properties (weight, stability, formability, etc.), aluminium is an essential application material in a wide variety of areas. In this context, rising aluminium demand was recorded in almost all sales markets of relevance to the AMAG Group.

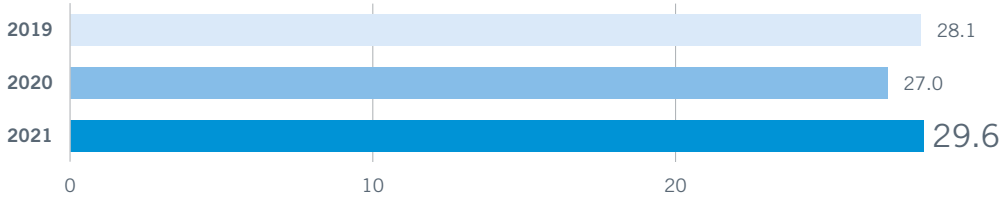
In detail, the market research institute CRU (Commodity Research Unit)[12], based on estimates from October 2021, assumed a global increase in demand for primary aluminium of 8.6 % compared with 2020. As a consequence, primary aluminium demand is expected to have risen to 68.3 million tonnes, which also represents a new high.

Global demand for primary aluminium in millions of tonnes



With an increase of 9.7 %, the CRU forecasted even stronger growth in global demand for aluminium rolled products.[13] As a consequence, after 27.0 million tonnes in the previous year, which was affected by COVID-19, demand in the reporting year is expected to have stood at around 29.6 million tonnes. The estimates within individual industries clearly reflect the aforementioned cross-sector growth. The transportation, machinery, packaging and construction industries, in particular, rely on aluminium rolled products. According to the CRU's assessment, however, the transport industry failed to fully offset the previous year's losses, with growth of 14.7 % to 4.4 million tonnes. Demand in the machinery industry is estimated to have risen by 5.8 % to 2.1 million tonnes. The growth forecast for the construction sector amounted to 6.5 % to a level of 3.8 million tonnes. The growth in demand for aluminium rolled products in the packaging industry was forecast to have been even stronger at 8.6 %, thereby reaching 16.0 million tonnes. Other applications were expected to record the most significant growth in 2021, rising 15.7 % to a level of 3.3 million tonnes.[14]

Global demand for aluminium rolled products in millions of tonnes



In the AMAG Group's Casting Division, the cast alloys business features as a regional business with a focus on Western and Central Europe. The automotive sector (including its supply industry) ranks as the largest customer for this division, accounting for around 60 % of shipments. As a consequence, the relevant economic environment is primarily shaped by European automotive industry trends. Following COVID-19-related losses in the previous year, this sector recovered significantly towards the end of 2020 and continued its positive trend in the first half of 2021. However, due to the increased shortage of semiconductors, passenger car production was increasingly affected worldwide. The latest figures from the German Association of the Automotive Industry (VDA) clearly reflect this. With a volume of around 3.1 million units, passenger car production in Germany in 2021 as a whole was down 12 % year-on-year. This represented the lowest production volume level since 1975.[15]

12) See CRU, Aluminium Market Outlook, October 2021
13) See CRU, Aluminium Rolled Products Market Outlook, November 2021
14) See CRU, Aluminium Rolled Products Market Outlook, November 2021
15) See VDA, press release of January 5, 2022

PRICE TRENDS OF ALUMINIUM AND RAW MATERIALS

The Metal Division's earnings reflect LME (London Metal Exchange) aluminium price trends. With regard to the Casting and Rolling divisions, the risk from aluminium price fluctuations is almost completely hedged. In these two divisions, fluctuations in the aluminium price are reflected in both revenue and the cost of materials, with a largely neutral effect on profit and loss.

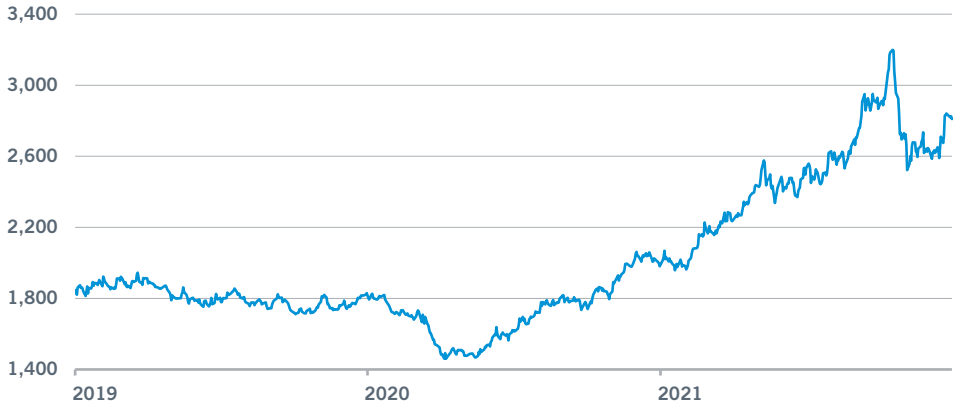
In particular, high demand for aluminium, production cutbacks as a consequence of energy policy measures in China and significant increases in some energy prices had a positive effect on the aluminium price trend (3-month LME). During the year, volatility increased significantly compared with previous years. The peak of the aluminium price in 2021 was reached on October 18, 2021 at 3,200 USD/t. This price level was last seen in 2008. Particularly from the end of the third quarter of 2021, the aluminium price exhibited some high volatility levels. At the end of the year under review, the aluminium price was trading at 2,810 USD/t. The average price for the year was 2,488 USD/t, an increase of around 44 % compared to the previous year's average of 1,730 USD/t.[16]

The premiums that are added to aluminium prices are determined, in particular, by the location of delivery, supply and demand, as well as trade restrictions. Due to high demand for aluminium, changes in metal flows towards China and higher logistics costs, among other factors, premiums reported significant gains. Moreover, the premium in the USA rose as a consequence of import duties due to the higher aluminium price. In the USA, the import duty exemption for Canadian primary aluminium was maintained throughout 2021, enabling the Metal Division to benefit in full from the high premium level.

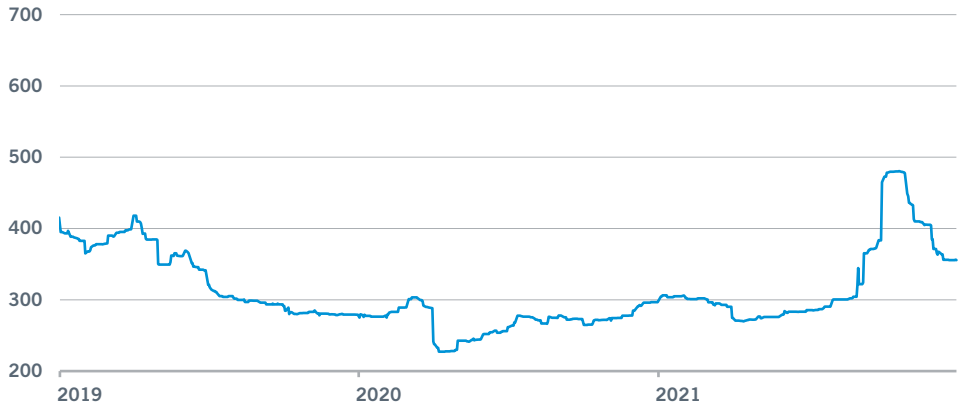
The price level of alumina, the raw material required for primary aluminium production, was very low in relation to the aluminium price in the first half of 2021. Price trends were volatile in the second half of the year. Year-on-year, the alumina price increased by around 21 % to an average of 328 USD/t in 2021.[17] The other raw materials required for the smelter process also recorded price increases, in some cases considerable, especially for petroleum coke and pitch.

Aluminium scrap is the most important raw material in terms of volume for the Ranshofen site. In this case, the price, adjusted for the aluminium price component, has in part increased significantly.

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



Alumina price in USD/t



16) Source: London Metal Exchange

17) Source: Bloomberg

CURRENCY MARKET TRENDS

Especially trends in the US dollar (USD) and Canadian dollar (CAD) can affect the AMAG Group's business performance.

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

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

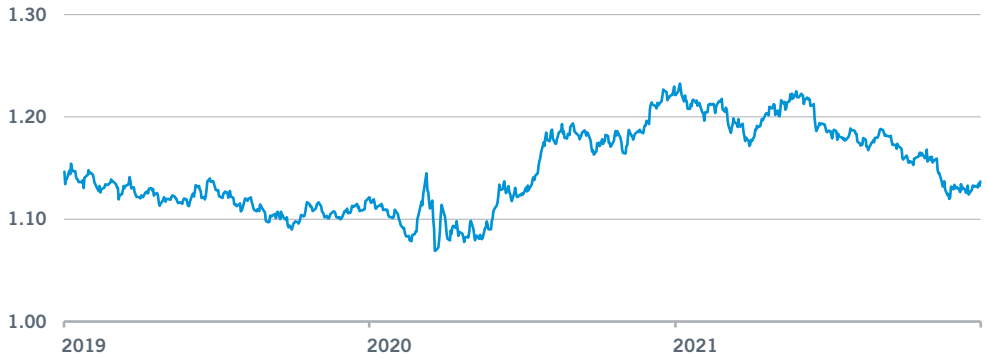
In the Casting Division, currencies play a somewhat subordinate role due to the focus on Western and Central Europe.

Currency fluctuations in the Rolling Division can certainly have a bearing on competitiveness.

On average, the euro was stronger against the US dollar (USD) in the 2021 financial year. The average exchange rate for the year amounted to 1.18 in the reporting period, compared with 1.14 in the previous year. At the end of the year, EUR/USD was trading at 1.13, compared with 1.23 at the end of 2020.[18]

The USD weakened on average against the CAD. The USD/CAD exchange rate in 2021 averaged 1.25, compared with 1.34 in the previous year. The USD/CAD exchange rate at the year-end stood at 1.27 (December 31, 2020: 1.27).[19]

EUR/USD exchange rate



USD/CAD exchange rate

18) Source: European Central Bank

19) Source: European Central Bank

REVENUE AND EARNINGS TRENDS

SHIPMENTS AND REVENUE

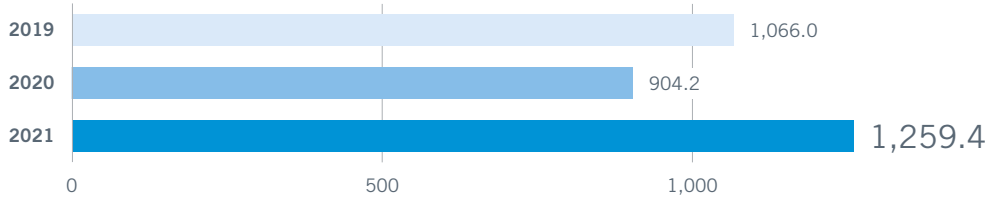
The rapid increase in economic activity led to a positive trend in demand for aluminium products. The AMAG Group increased its shipment volumes in all operating divisions and, at 442,300 tonnes, achieved a total shipment volume that was 9.3 % higher than in 2020. The Metal Division again benefited from the high number of active pots at the Alouette smelter in Canada and the resultant full production. Primary aluminium shipments amounted to 124,900 tonnes, exceeding the 2020 level slightly by 0.6 %. In the Casting Division, total shipments of recycled cast alloys increased by 9.7 % to 89,600 tonnes. This volume reflects both a positive trend in the automotive sector in the first half of the year as well as customers accepting fewer deliveries, primarily due to the lack of supply of semiconductors, in the second half of 2021. In the Rolling Division, a total of 227,800 tonnes of aluminium rolled products were sold in the 2021 financial year. This corresponds to an increase of 14.5 % compared to the previous year. The broad positioning in the Rolling Division enabled successful optimisation of the product portfolio and the achievement of approximately the pre-crisis level of shipments from 2019. AMAG components, which has been allocated to the Rolling Division since the acquisition in autumn 2020, had no significant effect on the AMAG Group's 2021 business figures.

The AMAG Group's external shipments volume grew by a significant 9.6 % year-on-year to reach 414,600 tonnes, compared with 378,200 in 2020.

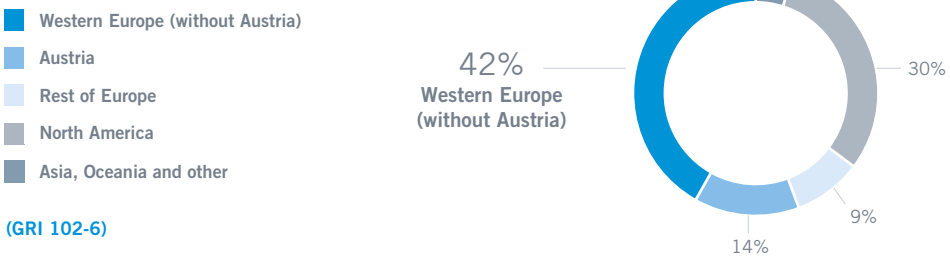
Shipments in thousands of tonnes

Revenue grew by a considerable rate of 39.3 % to reach EUR 1,259.4 million. This was mainly due to positive shipment volumes and higher aluminium prices and premiums. The aluminium price traded on average around 44 % higher than in the 2020 financial year. Premiums charged in addition to the aluminium price recorded significant gains due to high demand for aluminium, changes in metal flows towards China and higher logistics costs. In addition, the premium in the USA rose as a consequence of import duties imposed on the higher aluminium price. The stronger EUR against the USD on average over the year led to a currency-related decrease in revenue.

Revenue in EUR million

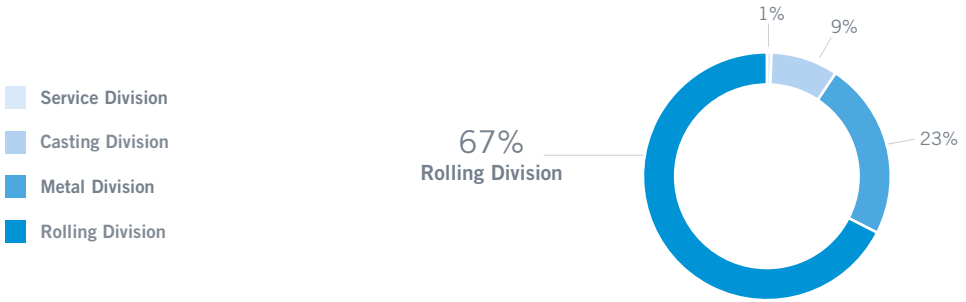


Group revenue by regions in %



(GRI 102-6)

Group revenue by division in %



RESULTS OF OPERATIONS

The market environment in 2021 was characterised by a rapid economic upturn, which led to positive demand for aluminium products from numerous industrial sectors and encouraging aluminium price and premium trends. The AMAG Group reported significant growth in shipment volumes in the 2021 financial year and implemented optimisations in the product mix. From mid-year onwards, rising costs, particularly for energy, logistics and metal alloys, increasingly affected profitability at the Ranshofen site. As far as securing supplies of raw materials is concerned, the low level of dependency in terms of the supply of primary materials and the securing of provisions of stocks through a broad portfolio of suppliers has again proven its worth in 2021.

Overall, the AMAG Group achieved earnings before interest, taxes, depreciation and amortisation (EBITDA) of EUR 186.2 million in the 2021 financial year, thereby setting a new record in AMAG's history and considerably outstripping the previous year's level of EUR 108.2 million.

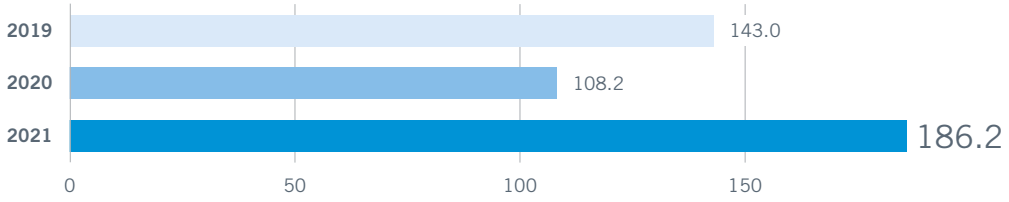
The Metal Division made a particularly positive contribution to earnings. The high number of active pots enabled full-scale production. This allowed AMAG to successfully participate in the high aluminium price and premium levels. The price of alumina, the most important raw material in primary aluminium production, stood at a particularly low level in relation to the aluminium price in the first three quarters of 2021 and subsequently reported a volatile trend. Overall, the Metal Division thereby managed to approximately double EBITDA, from EUR 51.3 million in the previous year to EUR 103.9 million in the reporting year.

Earnings in the Casting Division reflect, in particular, positive demand from the automotive industry in the first half of the year. The shortage of semiconductors in the car manufacturing sector led to reductions in car production, especially in the second half of 2021, which also affected demand for recycled cast alloys. Overall, segment EBITDA increased significantly to EUR 10.8 million in the 2021 financial year, up from EUR 6.3 million in the previous year.

EBITDA in the Rolling Division reported considerable growth, from EUR 52.9 million in the previous year to EUR 80.2 million in the 2021 financial year. Higher demand for aluminium rolled products from various industries was leveraged, as reflected in rising shipment volumes, which were accompanied by product mix optimisation measures. The effect on earnings from AMAG components is not significant.

In the Service Division, EBITDA in the 2021 financial year amounted to EUR -8.8 million, compared with EUR -2.3 million in the previous year. Higher energy prices and increased structural costs are primarily responsible in this context.

EBITDA in EUR million



Change in EBITDA compared to 2020 in EUR million

In the income statement prepared using the cost of sales method, the cost of sales rose year-on-year mainly due to the higher price of aluminium and higher energy and raw material costs. In addition, the higher production volume increased the cost of sales in 2021. The change in inventories, reflecting the significantly higher aluminium price, had a positive effect in the year under review. Overall, the comparison with the previous year thereby shows an increase in the cost of sales compared with 2020 of 31.8 % to EUR 1,028.4 million (2020: EUR 780.1 million).

Other income includes grants from research and development, costs passed on for maintenance and infrastructure services, and income from currency translation. Overall, other income increased by 7.4 % year-on-year to EUR 8.6 million (2020: EUR 8.0 million).

Selling and distribution expenses rose by 26.0 % year-on-year to EUR 68.6 million (2020: 54.4 million). The main reasons for this were a higher level of shipment volumes and higher logistics expenses.

The increase in administrative expenses from EUR 30.7 million in the previous year to EUR 39.3 million in the year under review primarily reflects the full-year inclusion of Aircraft Philipp, which was acquired in the autumn of the previous year.

Research and development activities were again consistently implemented in the past financial year, leading to a year-on-year increase from EUR 14.6 million to currently EUR 16.7 million.

At EUR 0.1 million, equity accounted investments in the 2021 financial year were at the same level as in 2020 (EUR 0.1 million).

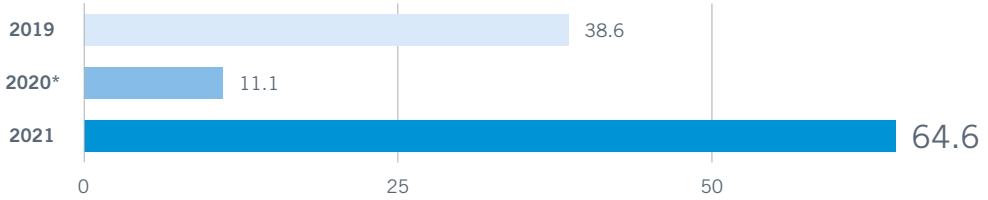
Depreciation and amortisation of EUR 84.4 million was recorded, slightly above the level of the previous year (2020: EUR 83.5 million). Operating profit (EBIT) reflects a positive 2021 financial year, and increased significantly from EUR 24.8 million in the previous year to EUR 101.8 million. At EUR -8.8 million, the net financial result was at a similar level to the previous year (2020: -9.2 million).

* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

In particular, the significant growth in earnings before taxes (EBT) led to an increase in current tax expense to EUR 28.7 million. In addition, this amount includes a withholding tax of EUR 3.4 million (previous year: EUR 0.0 million) due to the distribution of USD 80.0 million (previous year: USD 0.0 million) in the 2021 financial year from the Canadian subsidiary to the Austrian parent company. Net of deferred tax income of EUR 0.3 million, the total expense from income taxes in 2021 amounts to EUR 28.4 million (2020: 4.5 million).

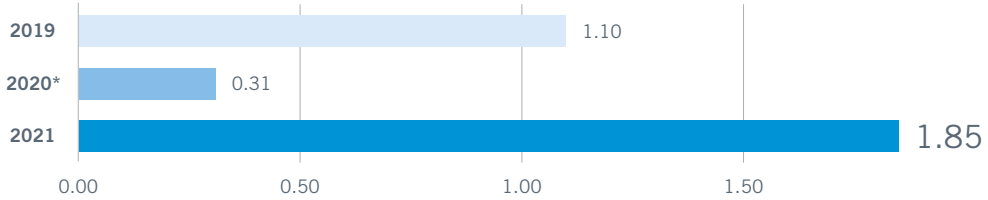
For the aforementioned reasons, net income after taxes in the 2021 financial year of EUR 64.6 million was also considerably higher than the prior-year level of EUR 11.1 million.

Net income after taxes in EUR million



Taking into consideration a year-on-year unchanged number of AMAG shares, this leads to a marked increase to EUR 1.85 per share in 2021 (2020: EUR 0.31).

Earnings per share in EUR



CONSOLIDATED STATEMENT OF INCOME, CONDENSED IN EUR MILLION	2021	2020*	Change in %
Revenue	**1,259.4**	904.2	39.3
Cost of sales	**-1,028.4**	-780.1	-31.8
Gross profit	**231.0**	**124.1**	**86.2**
Other income	**8.6**	8.0	7.4
Selling and distribution expenses	**-68.6**	-54.4	-26.0
Administrative expenses	**-39.3**	-30.7	-27.8
Research and development expenses	**-16.7**	-14.6	-14.1
Other expenses	**-13.3**	-7.6	-75.2
Share of profit of associates	**0.1**	0.1	-2.4
Earnings before interests and taxes (EBIT)	**101.8**	**24.8**	**310.9**
EBIT margin in %	**8.1**	2.7	-
Net financial income (expenses)	**-8.8**	-9.2	4.8
Earnings before taxes (EBT)	**93.0**	**15.6**	**497.2**
EBT margin in %	**7.4**	1.7	-
Income taxes	**-28.4**	-4.5	-528.9
Net income after taxes	**64.6**	**11.1**	**484.3**
thereof net income after taxes non-controlling interests	**-0.7**	0.0	0.0

* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

DIVIDEND

The Management Board will propose a dividend of EUR 1.50 per share to the Shareholders' Annual General Meeting to be held on April 20, 2022.

STRUCTURE OF ASSETS AND CAPITAL

CONSOLIDATED BALANCE SHEET

The total assets of the AMAG Group as of December 31, 2021 amounted to EUR 1,593.8 million, thereby exceeding the previous year's figure (December 31, 2020: 1,548.3 million).

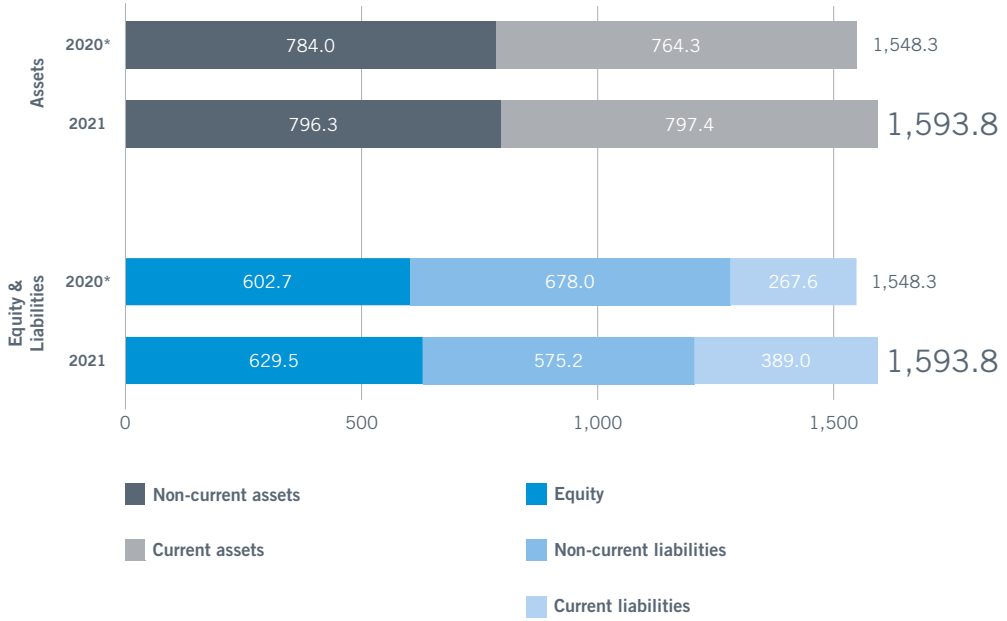
Non-current and current assets increased from EUR 784.0 million and EUR 764.3 million respectively at the end of 2020 to EUR 796.3 million and EUR 797.4 million respectively as of December 31, 2021. Non-current assets mainly reflect the positive change in deferred tax assets. Current assets include the aluminium-price-related increase in inventories and a higher level of trade receivables. In addition, loans were repaid in the past financial year.

As of December 31, 2021, the AMAG Group's equity stood at its usual solid level of EUR 629.5 million (December 31, 2020: EUR 602.7 million). Compared with the previous year, the considerable increase in net income after taxes had a particularly positive effect. It also includes equity-increasing effects from currency translation and from the measurement of defined benefit plans. Valuation effects from the hedging reserve and the dividend payment of EUR 17.6 million had the effect of reducing equity.

Non-current liabilities decreased from EUR 678.0 million to EUR 575.2 million, particularly due to the repayment of credit facilities and loans. Current liabilities report an increase from EUR 267.6 million at the end of 2020 to EUR 389.0 million as of December 31, 2021, mainly due to higher trade payables and the higher earnings-related tax liability.

CONSOLIDATED BALANCE SHEET, CONDENSED IN EUR MILLION	2021	2020*
Intangible assets, property, plant and equipment	734.0	736.5
Equity accounted investments	1.5	1.9
Other non-current assets and deferred taxes	60.8	45.6
Non-current assets	**796.3**	**784.0**
Inventories	396.6	261.6
Trade receivables	153.7	113.4
Current tax assets	0.0	0.8
Other current assets	73.3	81.8
Contract assets	2.3	1.8
Cash and cash equivalents	171.4	304.9
Current assets	**797.4**	**764.3**
ASSETS	**1,593.8**	**1,548.3**
Equity	**629.5**	**602.7**
Non-current liabilities	**575.2**	**678.0**
Current liabilities	**389.0**	**267.6**
EQUITY AND LIABILITIES	**1,593.8**	**1,548.3**

Balance sheet structure in EUR million

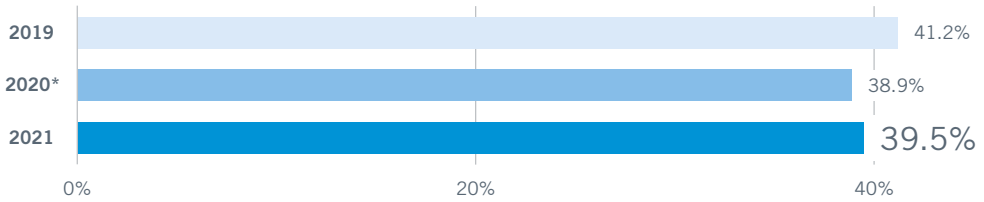


* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

EQUITY RATIO

The equity ratio expresses the relationship between equity and the sum of equity and liabilities. This ratio stood at 39.5 % as of the end of 2021, and thereby above the level as of the previous year's reporting date (December 31, 2020: 38.9 %). The main reason for this increase is the rise in net income in the 2021 financial year.

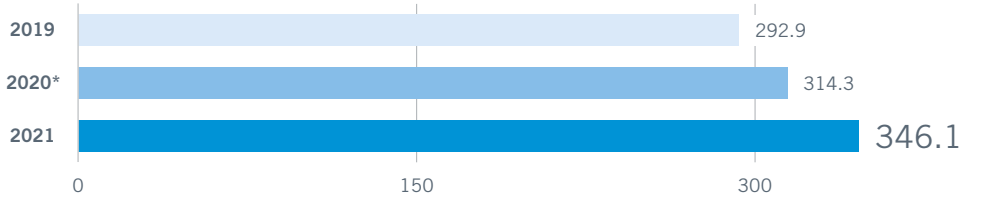
Equity ratio in %



NET FINANCIAL DEBT

Net debt comprises cash and cash equivalents plus loans receivable, less borrowings. Particularly due to the aluminium-price-related increase in working capital, cash and cash equivalents decreased. As a consequence, net financial debt rose to EUR 346.1 million, compared with EUR 314.3 million as of the previous year-end.

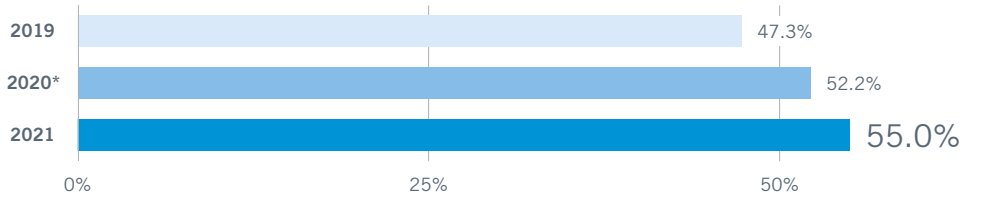
Net financial debt in EUR million



GEARING

Gearing represents the ratio between net financial debt and equity. Compared to the 2020 year-end, it rose from 52.2 % to 55.0 % due to the greater increase in net financial debt compared to equity.

Gearing in %



* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

CASH FLOW STATEMENT

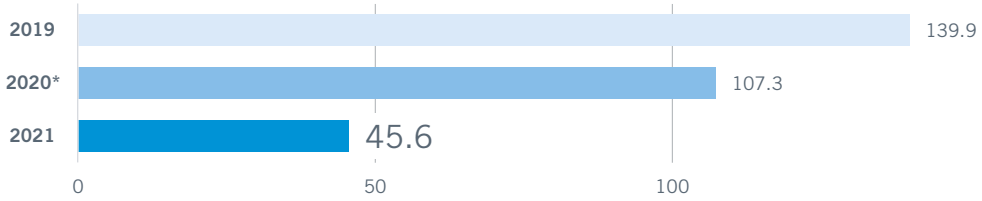
The result in the 2021 financial year had a positive effect on the trend in cash flow from operating activities. In particular, the significantly higher aluminium price as of December 31, 2021, had an offsetting effect on the change in working capital, leading to overall cash flow of EUR 45.6 million in the full year 2021 (2020: EUR 107.3 million).

At EUR -69.8 million, cash flow from investing activities reflects the higher level of investment activities, following COVID-19-related reductions in the previous year (2020: EUR -62.2 million). Free cash flow during the 2021 financial year amounted to EUR -24.2 million, compared with EUR 45.1 million in the previous year.

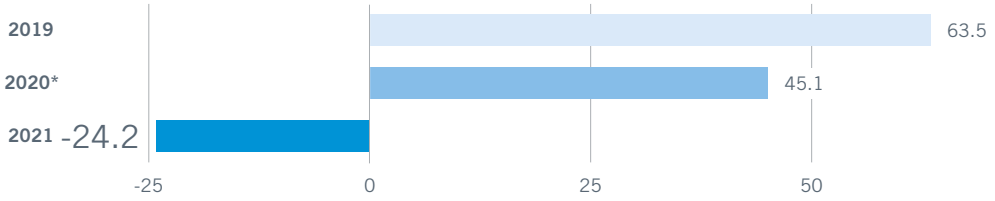
Cash flow from financing activities stood at EUR -119.0 million in 2021. This is primarily the consequence of loan repayments, and includes new borrowing. As in the previous year, the dividend payment also included in this figure amounts to EUR -17.6 million.

CONSOLIDATED CASH FLOW STATEMENT, CONDENSED IN EUR MILLION	2021	2020*	Change in %
Cash flow from operating activities	**45.6**	107.3	-57.5
Cash flow from investing activities	**-69.8**	-62.2	-12.2
Free cash flow	**-24.2**	45.1	-153.6
Cash flow from financing activities	**-119.0**	0.6	>-1,000

Cash flow from operating activities in EUR million



Free cash flow in EUR million



* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

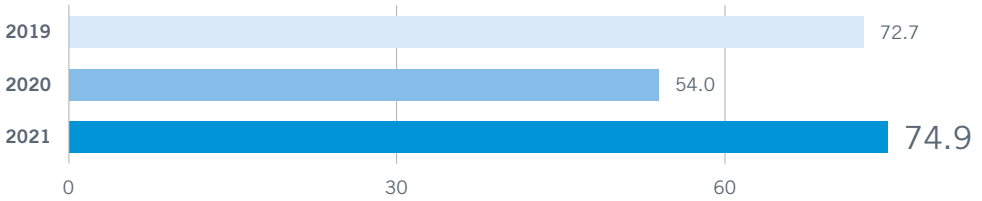
INVESTMENTS

Investments in 2021 amounted to around EUR 74.9 million, following a reduced investment volume of EUR 54.0 million in the previous year due to COVID-19. A total of EUR 72.2 million was invested in property, plant and equipment and EUR 2.6 million in intangible assets. Depreciation and amortisation amounting to EUR 84.4 million reflects a lower level of investment in comparison.

At the Canadian Alouette smelter, the main focus of investment activity was on the systematic continuation of pot relining activities and the implementation of the sustainability project to switch to liquefied gas in the anode baking furnace.

A large number of investment projects were successfully carried out at the headquarters in Ranshofen. The construction of the new pickling line marked the successful start of a major replacement investment project in the year under review. Projects in the area of digitalisation were also implemented on schedule, with the continuation of the Smart Factory project deserving particular mention. Investments were also made in the areas of safety & environment (e.g. sprinkler systems) as well as for various automation projects. The company also continued to invest in research and development.

Investments/additions to non-current assets in EUR million



Smart factory

- Increased efficiency and productivity through the "**smart automation**" of materials approval testing
- Almost a doubling of sample production capacity
- Further optimisation in recycling through scrap separation by grade
- Completion in the first half of 2022

KEY FINANCIAL PERFORMANCE INDICATORS

RETURN ON CAPITAL EMPLOYED

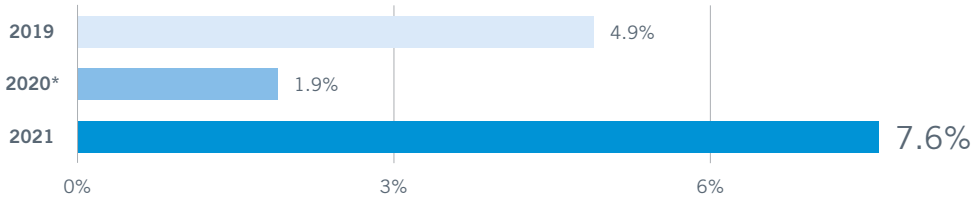
Return on capital employed (ROCE) is defined as the ratio between net operating profit after tax (NOPAT) and average capital employed, expressed as a percentage.

Accordingly, ROCE measures the profitability of the business based on average capital employed during the financial year.

Average capital employed comprises the total of average equity and average net debt (long-term and short-term interest-bearing financial liabilities, less liquid assets and short-term securities).

The AMAG Group's return on capital employed registered a significant increase to 7.6 % in 2021 (2020: 1.9 %). This positive trend was especially due to the growth in net income after taxes.

ROCE in %



* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

RETURN ON EQUITY

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

As a consequence of the significant increase in net income after taxes, ROE reported a marked rise from 1.8 % in the previous year to 10.5 % in the past 2021 reporting year.

CALCULATION OF ROCE AND ROE IN EUR MILLION	2021	2020*
Net income after taxes	**64.6**	11.1
Net interest result	**-10.3**	-8.2
Taxes on interest income	**2.6**	2.0
NOPAT	**72.4**	**17.2**
Equity**	**616.1**	611.0
Non-current interest-bearing financial liabilities**	**455.6**	499.3
Current interest-bearing financial liabilities**	**112.9**	90.7
Cash and cash equivalents***	**-238.3**	-286.4
Capital employed**	**946.3**	**914.6**
ROCE in %	**7.6**	**1.9**
Net income after taxes	**64.6**	11.1
Equity**	**616.1**	611.0
ROE IN %	**10.5**	**1.8**

** Year-average
*** Year-average cash and cash equivalents

SEGMENT REPORTING

METAL DIVISION

ECONOMIC ENVIRONMENT

Following COVID-19-related losses in the previous year, demand for primary aluminium registered a very positive trend in the period under review. Overall, the market research institute CRU estimated an increase of 8.6 % for 2021, with demand for primary aluminium rising to 68.3 million tonnes and reaching a new high.[20]

China is a major consumer of primary aluminium. According to CRU estimates, its share of global demand is estimated to have amounted to around 60 %, similar to the previous year, reflecting an increase from 37.8 million tonnes to 39.7 million tonnes in 2021. In the rest of the world, the Commodity Research Unit forecasts a 14.1 % rise in demand in 2021, up from 25.1 million tonnes to 28.6 million tonnes. With growth of 14.7 %, demand for primary aluminium in Europe is also estimated to have increased significantly, from 8.1 million tonnes in 2020 to 9.3 million tonnes in the year under review, according to the CRU. North America is forecast to have grown by 14.6 % to 6.3 million tonnes in 2021.

Despite the COVID-19 pandemic, production of primary aluminium already registered a positive trend in the previous year, with an increase of 2.3 %. This is mainly due to the fact that smelters experienced less cost pressure due to less expensive raw materials as well as additional capacities, particularly in China. For the year under review, the CRU forecasted a further increase of 3.2 % to 66.9 million tonnes. Production is thereby expected to have stood 1.5 million tonnes below the level of global demand, leading to a reduction in primary aluminium stocks. For 2021, the CRU calculated a decrease in worldwide stocks from 10.8 million tonnes as of the end of 2020 to 9.4 million tonnes as of December 31, 2021. For primary aluminium inventories in LME-registered warehouses, the CRU expected no significant change compared to the previous year. Stocks are estimated to have amounted to 1.3 million tonnes as of the end of 2021.

In particular, high demand for aluminium, production cutbacks as a consequence of energy policy measures in China and, in some cases, significant increases in energy prices had a positive effect on aluminium price trends. During the year, volatility rose markedly compared with previous years. The peak in the aluminium price (3-month LME) in 2021, to a level last recorded in 2008, was reached on October 18, 2021 at 3,200 USD/t. A considerable price correction occurred during the course of October. Aluminium was trading at a price of USD 2,810 per tonne as of the end of 2021. The average price for the year was 2,488 USD/t, an increase of around 44 % compared to the previous year's average of 1,730 USD/t.[21]

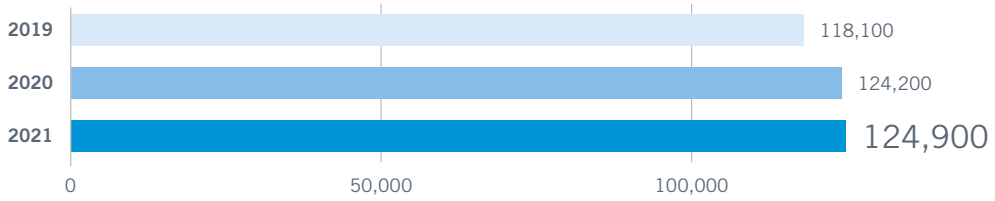
The premiums that are added to aluminium prices are determined, in particular, by the location of delivery, supply and demand, as well as trade restrictions. Due to high demand for aluminium, among other factors, changes in metal flows towards China and higher logistics costs, premiums showed significant gains. In addition, the premium in the USA rose as a consequence of import duties due to the higher aluminium price. In the USA, the import duty exemption for Canadian primary aluminium was maintained throughout 2021, enabling the Metal Division to benefit in full from the high premium level.

The prices of the raw materials required for primary aluminium production were at a low level in relation to the price of aluminium, especially in the first half of 2021. In the second half of the year, alumina prices were very volatile, particularly from October 2021 onward. The average alumina price in the 2021 reporting year amounted to 328 USD/t, compared to 270 USD/t in the previous year. The price increase for alumina was thereby significantly lower than for aluminium. In relation to the aluminium price (3-month LME), the alumina price was 13.2 % in the 2021 financial year, down from 15.7 % in 2020.[22]

2021 FINANCIAL YEAR

Consistent implementation of the pot replacement program in both the previous year and the 2021 financial year enabled the Alouette smelter to produce at full capacity, leading to a slight increase in shipment volumes to 124,900 tonnes (previous year: 124,200 tonnes). Of these shipments, no volumes were shipped to Ranshofen on an intragroup basis.

Shipments in tonnes



20) See CRU, Aluminium Market Outlook, October 2021
21) Source: Bloomberg
22) Source: Bloomberg

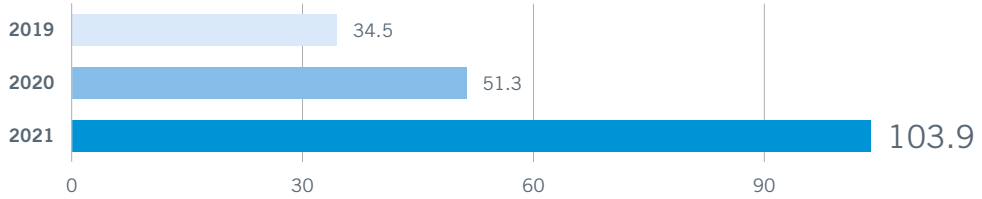
2021 EARNINGS TRENDS

The increase in shipment volumes, significantly higher aluminium prices and a positive trend in premiums led to a considerable increase in revenue from EUR 590.6 million in the previous year to EUR 941.1 million in the reporting year 2021. A stronger EUR against the USD on average had a negative effect on revenue. Of the total revenue, EUR 655.3 million was attributable to intragroup revenue. This consisted mainly of deliveries of primary materials – including primary aluminium, scrap and rolling slabs – to the casthouse and rolling mill.

EBITDA in the Metal Division recorded a very positive trend. Compared to the previous year, the earnings figure more than doubled to EUR 103.9 million (2020: EUR 51.3 million). Particular reasons for this marked growth include the high level of revenue thanks to higher shipment volumes and the positive trend in aluminium prices and premiums. Due to the fact that the entirety of the primary aluminium from Alouette was sold into the USA, the Metal Division benefited from the duty exemption between Canada and the USA. At the same time, average primary material costs for the year were low in relation to the aluminium price. This applies particularly to alumina, the most important primary material. After a result from portfolio hedging of EUR 4.8 million in the previous year, portfolio hedging did not contribute to earnings in the past financial year. The significant increase in the aluminium price led the forward curve to record an increasing downtrend (backwardation).

Operating profit (EBIT) also reflected the positive trend in the division, rising from EUR 27.6 million to EUR 80.9 million.

EBITDA in EUR million



INVESTMENTS

In the Metal Division, investments in property, plant and equipment of EUR 16.0 million were significantly higher than the previous year's level of EUR 11.3 million. The increase mainly reflects the government-directed reduction in investment in the previous year due to the COVID-19 pandemic. In addition, a government investment grant of around EUR 2.0 million for the conversion of the anode baking furnaces to liquid gas was capitalised in the second quarter of the previous year.

EMPLOYEES

The number of employees (full-time equivalents) rose from 179 employees in the previous year to an average of 185 employees.

KEY FIGURES FOR THE METAL DIVISION IN EUR MILLION	2021	2020	Change in %
Revenue	**941.1**	590.6	59.3
thereof, internal revenue	**655.3**	393.0	66.7
EBITDA	**103.9**	51.3	102.6
EBITDA margin in %	**11.0**	**8.7**	**-**
EBIT	**80.9**	27.6	192.8
EBIT margin in %	**8.6**	4.7	-
Investments	**16.0**	11.3	41.6
Employees*	**185**	179	3.3

*AMAG`s percentage share of personnel from the 20 % interest in the Alouette smelter amounts to around 180 employees and is not included in the calculation of the headcount.

CASTING DIVISION

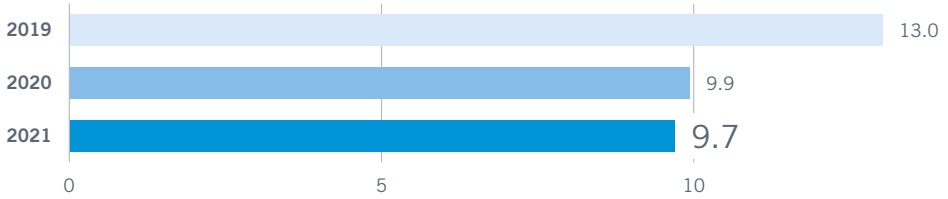
ECONOMIC ENVIRONMENT

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

Following significant reductions in the second quarter of the previous year, global demand for automobiles subsequently improved significantly. However, particularly the increased shortage of semiconductors in the second half of 2021 led to passenger car production being increasingly negatively affected. In Germany, the Casting Division's most important market, automotive production decreased by 12 % to 3.1 million units in the year as a whole. This represented the lowest level of production volume since 1975.[23]

As far as new registrations of passenger cars and light commercial vehicles in Europe (excluding the UK) in the whole of 2021 are concerned, the year-on-year comparison reflects an overall decrease of 2.4 % to 9.7 million units, despite a positive trend in the first months of 2021. The USA reports a positive change of 3.1 % compared to 2020, with 14.9 million units of passenger cars newly registered in 2021. In China, new registrations showed a significant year-on-year increase of 6.6 % in 2021, with nearly 21.1 million new vehicles being registered.[24]

New EU car registrations (excluding UK) in millions



2021 FINANCIAL YEAR

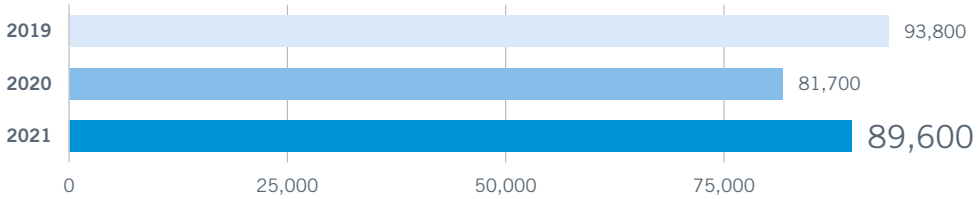
In the first half of 2021, the Casting Division leveraged the positive trend in the automotive industry. Stable production of recycled cast alloys in Ranshofen led to growth in shipments. The increasing shortage of semiconductors had a considerable impact on passenger car production, especially from mid-year onward. Overall, however, the Casting Division reported a marked increase in total shipments of 9.7 % to a level of 89,600 tonnes. Around 61,900 tonnes of the total shipment volume was sold to external customers in the form of ingots, sows and liquid aluminium.

Moreover, the Casting Division made a valuable contribution to the supply of primary materials for the Rolling Division through intragroup deliveries of around 27,700 tonnes. As a consequence, additional recycled aluminium was successfully reintroduced into the value cycle to produce high-quality aluminium rolled products. The Casting Division made a significant contribution to keeping the scrap used at the Ranshofen site at the previous year's high level.

23) See VDA, press release of January 5, 2022

24) See VDA, press release of January 18, 2022

Shipments in tonnes



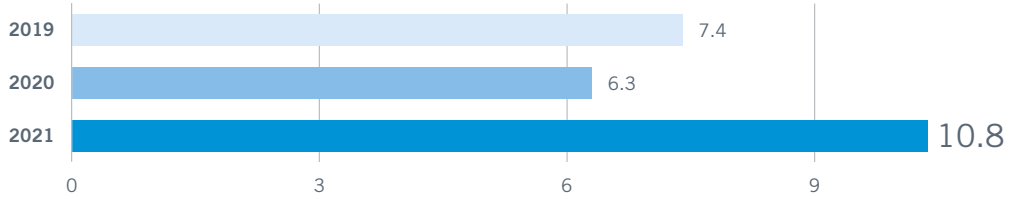
2021 EARNINGS TRENDS

Revenue increased significantly year-on-year from EUR 88.3 million to EUR 128.4 million, which was particularly due to higher shipment volumes and an improved price trend.

EBITDA reflects these influences, reporting growth from EUR 6.3 million in the previous year to EUR 10.8 million in the 2021 financial year. The implementation of the IFRS 16 standard since 2019 has a positive effect due to interdivisional EBITDA shifts from the Service Division to the Casting Division. In the 2021 financial year, this effect amounted to EUR 1.8 million (2020: EUR 2.0 million).

The operating result (EBIT) of EUR 8.6 million also stood above the previous year's level of EUR 3.9 million for the reasons mentioned.

EBITDA in EUR million



INVESTMENTS

In the Casting Division, investments rose again following COVID-19-related reductions in the previous year. In 2021, investments in property, plant and equipment amounted to EUR 2.0 million, compared with EUR 1.6 million in the previous year. Shifts due to the interdivisional reclassification due to IFRS 16 amounted to EUR 0.2 million.

EMPLOYEES

The average number of employees of 117 stood slightly below the previous year's level (121 employees).

KEY FIGURES FOR THE CASTING DIVISION IN EUR MILLION	2021	2020	Change in %
Revenue	**128.4**	88.3	45.4
thereof, internal revenue	**10.2**	9.9	2.4
EBITDA	**10.8**	6.3	72.4
EBITDA margin in %	**8.4**	**7.1**	**-**
EBIT	**8.6**	3.9	120.0
EBIT margin in %	**6.7**	4.4	-
Investments	**2.0**	1.6	27.4
Employees	**117**	121	-3.6

ROLLING DIVISION

ECONOMIC ENVIRONMENT

Demand for aluminium rolled products registered a positive trend in the year under review, following the COVID-19-related decrease of around 4 % in 2020. According to forecasts by the market research institute CRU, global demand in 2021 rose by 9.7 % year-on-year to 29.6 million tonnes (2020: 27.0 million tonnes).[25]

According to CRU estimates, however, the transport industry (mainly automotive and aircraft), with an increase of 14.7 % to 4.4 million tonnes, failed to fully offset the previous year's reductions. In the mechanical engineering sector, the Commodity Research Unit expects demand to have grown by 5.8 % to 2.1 million tonnes. Demand for aluminium rolled products in other consumer goods is expected to have recorded a significant year-on-year increase of 15.7 % to 3.3 million tonnes. In the construction sector, according to CRU estimates, demand expanded by 6.5 %, corresponding to consumption of 3.8 million tonnes. The large-volume packaging industry, after stable demand in the previous year, is estimated to have grown by 8.6 % to 16.0 million tonnes in the year under review.

According to CRU forecasts, demand for aluminium rolled products recorded differing trends in the core markets. Considerable growth in demand of 12.2 % year-on-year was estimated for North America, to a level of around 6.1 million tonnes. In Western Europe, demand for aluminium is estimated to have risen by 10.2 % in 2021, corresponding to 4.3 million tonnes. For China, after a slight increase in the previous year, the CRU estimateed further growth in demand of 6.3 % to 11.2 million tonnes in 2021. For the Asian region as a whole, the market research institute expected growth to have amounted to 7.8 %, to a level of 16.0 million tonnes.

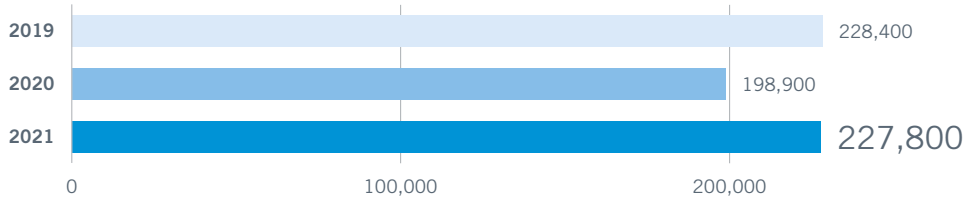
The imposition in 2018 of 10 % US import duties on aluminium products (Section 232) led to a shift in the international flow of aluminium rolled products. A higher level of exports from China to Europe had a negative effect on European prices, especially for standard products. As far as revenue generated in the US market is concerned, the tariff introduction from 2018 did not lead to any significant effect in the Rolling Division. The agreement reached between the USA and the EU at the end of October 2021 enables deliveries to the USA to be exempted from additional duties for a certain quota (quota system) from January 1, 2022. The provisional imposition of the anti-dumping duty on aluminium rolled products imposed by the EU on China in April 2021 also affected price trends in Europe. The entry into force of this policy measure diminished the attractiveness for Chinese suppliers of realising shipments within the EU, which had a positive effect on prices – especially for commercial products – on the European market. Definitive anti-dumping duties came into force as of October 2021, but were simultaneously suspended for nine months. The necessity of international sea transport accompanied by high transportation costs leads to the assumption that in the short-term no significant negative effects will arise in the Rolling Division, despite the suspension.

25) See CRU, Aluminium Rolled Products Market Outlook, November 2021

2021 FINANCIAL YEAR

The gradual improvement in new order intake in the second half of the previous year continued in 2021. Compared to 2020, volume increases were achieved in almost all relevant sales markets, some of them significant. As expected, the COVID-19 pandemic continued to affect the aircraft industry. Overall, shipment volumes in the Rolling Division increased by 14.5 % compared to the previous year, from 198,900 tonnes to 227,800 tonnes. Due to the broad product portfolio, optimisations were successfully applied to the product mix in the 2021 financial year.

Shipments in tonnes



The rolling slab casthouse, which was also expanded as part of the location expansion program, produced around 289,000 tonnes of rolling slabs in the 2021 financial year. Accordingly, a large proportion of the primary material required for rolled products was produced in-house, mainly from aluminium scrap. Especially in the second half of 2021 supply chain concerns have increasingly emerged. The shortage of certain chemicals as well as the shortage of semiconductors which also partly influenced customers' purchasing behaviour are relevant examples. In addition, the significant reduction in magnesium production in China had a major effect on the price trend and global availability of metal alloy. Thanks to having secured a diversification of the supplier portfolio, no availability

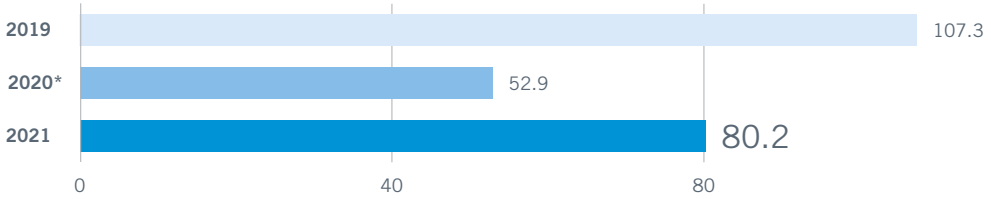
problems in relation to magnesium arose at the Ranshofen site. Rising cost inflation, above all for energy, logistics and metal alloys, had a significant effect on the Rolling Division's performance in 2021.

2021 EARNINGS TRENDS

Revenue reported a considerable year-on-year increase from EUR 671.4 million to EUR 977.4 million, mainly due to marked growth in shipment volumes coupled with a significantly higher aluminium price. The stronger EUR against the USD on average had a revenue-reducing effect.

EBITDA grew from EUR 52.9 million in the previous year to EUR 80.2 million in the 2021 financial year, mainly due to a higher level of shipment volumes and optimisations in the product mix combined with improved price levels, particularly for trading products. Rising input costs, especially for energy, logistics and primary materials, had a negative effect on earnings. The implementation of the IFRS 16 standard since 2019 exerts a positive impact due to interdivisional EBITDA shifts from the Service Division to the Rolling Division. In the 2021 financial year, this effect amounted to EUR 15.0 million (2020: EUR 15.6 million). Depreciation and amortisation rose from EUR 52.2 million in the previous year to EUR 54.0 million in 2021. Operating profit (EBIT) grew significantly due to the aforementioned reasons and amounted to EUR 26.2 million in the 2021 financial year (2020: EUR 0.8 million).

EBITDA in EUR million



INVESTMENTS

Investments in the Rolling Division were increased following COVID-19-related postponements in the previous year and amounted to EUR 49.3 million in the year under review, compared to EUR 36.9 million in 2020. Investments were realised primarily in the automation and modernisation of plants as well as in research and development (e.g. Smart Factory). As a consequence of the intersegment shift, EUR 7.4 million was reclassified, primarily for the expansion of halls and operating buildings including infrastructure.

EMPLOYEES

The year-average number of employees (full-time equivalents) stood at 1,667, compared with 1,516 in the previous year, mainly due to the full-year inclusion of AMAG components in the year under review (190 employees, 2020: 33 employees).

KEY FIGURES FOR THE ROLLING DIVISION IN EUR MILLION	2021	2020*	Change in %
Revenue	**977.4**	671.4	45.6
thereof, internal revenue	**128.6**	49.0	162.5
EBITDA	**80.2**	52.9	51.5
EBITDA margin in %	**8.2**	**7.9**	**-**
EBIT	**26.2**	0.8	>1,000
EBIT margin in %	**2.7**	**0.1**	**-**
Investments	**49.3**	36.9	33.6
Employees	**1,667**	1,516	10.0

* A correction in accordance with IAS 8.41 leads to an adjustment of the previous year's figures (see section G in the consolidated financial statements).

SERVICE DIVISION

Through providing infrastructure and services, the Service Division makes an important contribution to the AMAG Group's sustainable success, profitability and continued growth. Besides managing the Group, the division's scope of responsibility also includes waste disposal, as well as measures aimed at waste prevention and recycling. Energy supply at the Ranshofen site also falls within the division's remit, and the Service Division also deals with requirements relating to decarbonisation. The works services function comprises site infrastructure services such as security guards and messengers.

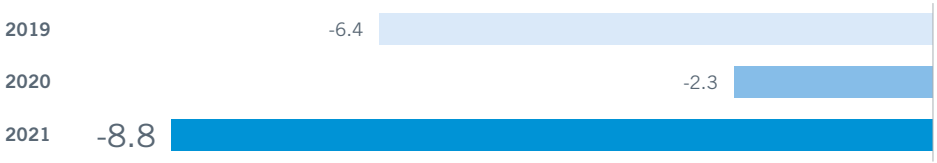
The facility management function is responsible for around 300 ha of ground area. Of this, the industrial built-up area amounts to around 100 ha. In 2021, the supplies function provided a procurement volume of 237 GWh (2020: 215 GWh) of electrical energy and approximately 543 GWh of natural gas (2020: approximately 477 GWh).

2021 EARNINGS TRENDS

Revenue amounted to EUR 86.3 million in 2021 (2020: EUR 62.8 million), and included services rendered at the Ranshofen site for the other divisions as well as for entities outside the Group. The IFRS 16 leasing regulation, which has been in application since 2019, has since led to interdivisional shifts in revenue and earnings.

The Service Division's EBITDA during the 2021 financial year amounted to EUR -8.8 million, compared with EUR -2.3 million in the previous year, mainly due to a sharp rise in energy costs and higher structural costs.

EBITDA in EUR million



INVESTMENTS

Overall, investments of EUR 7.5 million in the reporting year were higher than in the previous year (2020: 4.2 million) and were made primarily in infrastructure measures to secure supplies at the Ranshofen site. A total of around EUR 2 million was also invested in securing future rail transports for the AMAG Group. The shifts due to the interdivisional reclassification as a consequence of the application of IFRS 16 amounted to EUR -7.6 million.

EMPLOYEES

The average number of employees of 179 (full-time equivalents) was above the previous year's level (174 employees).

KEY FIGURES FOR THE SERVICE DIVISION IN EUR MILLION	2021	2020	Change in %
Revenue	**86.3**	62.8	37.3
thereof, internal revenue	**79.8**	57.1	39.7
EBITDA	**-8.8**	-2.3	-284.1
EBITDA margin in %	**-10.1**	**-3.6**	**-**
EBIT	**-14.0**	-7.6	-84.7
EBIT margin in %	**-16.2**	**-12.0**	**-**
Investments	**7.5**	4.2	78.2
Employees	**179**	174	2.5

RISK AND OPPORTUNITY REPORT

Systematic risk management has been implemented as an integral component in order to identify, assess and control all significant risks and opportunities within the AMAG Group. Risks are to be identified at an early stage and, where possible, proactively managed in order to limit or completely avoid their occurrence and potential negative effects. In addition to mitigating risks, the aim is to leverage business opportunities in a targeted manner. A balanced approach to opportunity and risk management is one of the Group's key success factors. The risks arising from the interest in Alouette are presented in the section "Risks from the interest in Aluminerie Alouette".

This risk and opportunity report refers particularly to those risks and opportunities that derive from an outside-in view. This refers to risks and opportunities that affect the company from outside. Those risks and opportunities that emanate from within the company and which may affect the corporate environment (inside-out view) are presented in tabular form in the "Risk management" section of the non-financial statement. This also takes particular account of the increasing importance of sustainability issues (ESG) and associated risks and opportunities.

RISK MANAGEMENT SYSTEM

Risk management is oriented to ensuring a sustained positive trend in the AMAG Group's financial position and performance, growth in the company's value, and the minimisation of negative influences on the environment. This system relies primarily on:

- The regulation of operational processes by means of Group guidelines and instructions
- Active hedging of specific risks (volatility of the aluminium price and in exchange rates)
- The coverage of certain risks by insurance
- Further specific measures to avoid and manage risks

Strategic and operational risks are monitored in the context of an annual cycle. Moreover, guidelines and instructions, as well as the insurance concept, are subject to ongoing review and updated whenever necessary. In addition, external auditors conduct evaluations on a case-by-case basis in selected corporate areas to determine the effectiveness of the internal control system.

INTERNAL CONTROL SYSTEM

The internal control system and risk management are based on the standards as set out in the internationally established rules for internal control systems (COSO: Internal Control and Enterprise Risk Managing Frameworks of the Committee of Sponsoring Organizations of the Treadway Commission), and on ISO 31000. The objective is for the relevant managers to identify and manage risks.

MAIN FEATURES OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM RELATING TO THE FINANCIAL ACCOUNTING PROCESS

As a matter of principle, the establishment of appropriate internal controlling and risk management systems in relation to the financial accounting process and financial reporting is the responsibility of the respective management. The AMAG Group has established Groupwide mandatory standards for the management of its most important business risks, and for the financial accounting and reporting process. The standards are implemented by the management teams within the companies, and augmented where necessary.

The integrated financial accounting and reporting for the Ranshofen site is performed centrally. The consolidated financial statements are also prepared centrally, based on reporting by the subsidiaries. Appropriate organisational measures ensure compliance with statutory requirements, and that entry in the books of accounting and other records is complete, correct, timely and proper. The entire process from procurement through to payment is governed by stringent regulations and guidelines within the AMAG Group, which aim to ensure that all associated risks are avoided.

These measures and regulations require functional separations, regulations relating to signing authorities, joint signatory powers for payments restricted to a limited number of persons, and system-supported checks for the deployed software (e.g. SAP). The financial accounting systems are largely based on standard software, and protected against unauthorised access.

A standardised financial reporting system has been established throughout the AMAG Group. The management teams as well as the Management Board are updated on all important matters, including additional company-specific information where required. The AMAG Austria Metall AG Supervisory Board is informed at its Supervisory Board meetings, which occur at least every quarter, about current business progress, and also annually about the Group's operative planning and medium-term strategy, with these being approved by the Supervisory Board. The Supervisory Board is also informed directly in special cases. In addition, the audit committee meetings confer about the internal controlling system, the risk management system and anticorruption measures.

PERSONNEL RISKS

Employees form a key element in the AMAG Group's success due to their expertise and commitment. In order to secure and strengthen this factor, investments in occupational safety and the promotion of health enjoy a very high priority. Various measures are in place in the accident prevention area, such as the safe structuring of jobs and related evaluation, preventative measures and ongoing staff training. The company takes the protection of its employees' data very seriously.

Demographic trends and the high level of employment in the region lead to a risk of a shortage of skilled workers. The AMAG Group is increasingly responding to such challenges in relation to employee recruitment, and is meeting them with a performance-based remuneration scheme, tailored training and development programs, and the early identification and promotion of high-potential employees. Special attention is also paid to apprentice training. The positive business trend in 2021 led to an increase in shipment volumes in all divisions. Accordingly, employees were recruited on an ongoing basis during the past financial year.

As far as the COVID-19 pandemic is concerned, infection containment measures were particularly important at the start of the year and from the autumn of 2021 onward. A separate task force for risk mitigation was already formed at the Ranshofen site at the time of the outbreak of the pandemic in 2020, which was continued during the 2021 financial year. Numerous measures (hygiene concept, vaccination campaigns, in-house testing facilities, etc.) were implemented in a targeted manner in order to minimise the risk of infection within the company and to protect employees.

OPERATIONAL RISKS

Production

At various stages in the value chain, the AMAG Group's operating companies are exposed to the risk of interruption of operations and risks relating to quality and occupational safety. Comprehensive procedural instructions in the areas of production, quality and occupational health and safety, as well as the high level of employee responsibility that is promoted as part of the CIP process, make a significant contribution to minimising risks. Since 2020, the COVID-19 pandemic has represented a further influencing factor in terms of associated business interruptions. Numerous measures are being taken on an ongoing basis in order to counteract the uncontrolled spread of infection.

The risks of plant breakdown and interruption of energy supply, especially at the Ranshofen site, are also countered with systematic preventative maintenance and regular risk-based maintenance (RBM), as well as a regular evaluation of technical plant risk and setting appropriate measures. Furthermore, modernisation and replacement investments are planned on a long-term basis. Emergency plans have been prepared for important products that enable quick transitioning to a replacement manufacturing route in the case of a plant standstill. System measures also provide support for the complex production of high-tech products with the aim of ensuring fault-free manufacturing processes. Machine breakdown insurance provides additional security. The supply of technical gases at the site is secured by long-term contracts or procurement from several suppliers.

Technological developments

In technologically advanced sectors such as aircraft, automotive engineering and sport, the risk exists of aluminium being displaced by the development of alternative lightweight materials offering comparable properties, such as carbon fibre composites, plastics, magnesium and advanced steels. Equally, some new manufacturing processes and technical upheaval in individual customer sectors might affect relevant markets. This risk potential is countered by ongoing market observation, technology scouting and joint development work with customers, as well as by continuously improving the properties of aluminium materials within the framework of alloy development and optimisation. At the same time, work is ongoing that is geared to tapping new application areas for aluminium alloys, and we are engaging in cooperation activities that will actively establish applications of relevance to AMAG in potentially disruptive technologies.

Failure mode and effects analyses (FMEA) are performed in order to identify potential error sources in alloy and process development, and to minimise risks accordingly.

In order to ensure legal freedom of action, the "Intellectual Properties" environment (patents, utility models) is continuously automated and manually monitored in relation to several sectors. If necessary, appropriate steps are taken (see also "Research and development risks").

Equally, technological developments in the digitalisation area are monitored constantly and implemented where potential benefits exist. Important topics are included in the Digitalisation Compass and implemented accordingly (e.g. Smart Factory, Digital Partner Excellence).

Natural hazard risks

In line with the requirements, selected measures are taken to prevent and manage natural hazards such as storms and floods as well as fire as a potential consequence:

- Structural, technical and organisational measures are implemented on an ongoing basis (e.g. building design, fire protection measures, rainwater seepage)
- Early warning and damage detection (e.g. severe weather warning system, ongoing investment in in-house firefighting equipment, etc.)
- Crisis management and communication in the event of related incidents

Environment and climate

The risk of environmental risks materialising, such as risks relating to water, waste, soil contamination and air emissions, is minimised by stringent compliance with legal and official requirements, and compliance is monitored continuously by the environmental management system certified according to ISO 14001. In addition to environmental management, an energy management system in accordance with ISO 50001 is also being advanced at the Ranshofen site, which ensures the continuous improvement of energy performance.

Conventional energy sources such as diesel and natural gas release air emissions when they are combusted, which can exert a negative effect on the environment and the climate. A lower level of energy consumed in the production of the AMAG Group's high-quality products also leads to fewer greenhouse gas emissions. As part of the energy management system, measures to reduce energy use are continuously implemented and energy performance at the Ranshofen site is monitored.

More restrictive climate policies in Europe and Austria can increase the costs of fossil energy and electricity, or lead to the introduction of additional CO_2 fees. Moreover, possible competitive disadvantages exist in the global competitive environment if climate policy measures are only implemented unilaterally and without adequate compensation mechanisms at national or European level. In particular, the developments on the energy market in the past financial year have shown that significant price increases and availability problems can quickly occur. AMAG is dependent on an adequate energy supply to maintain operations and implements price hedging strategies in the short to medium term.

Chemicals policy is also monitored in connection with environmental legislation, as potential restrictions on substances as well as outright bans on substances could affect recycling and thereby the closing of material cycles. The EU has set itself the goal as part of the "Green Deal" of promoting a sustainable recycling economy. The recycling of aluminium scrap represents a functioning cycle for an increasingly important raw material, which must not be restricted.

Planned legislative changes are monitored constantly in order to ensure that the company complies with the state of the art as a minimum requirement.

Past pollution from earlier use of the Ranshofen site has been secured and rectified by prompt implementation of remedial measures. The expected costs are otherwise covered by provisions. Primary materials bearing pollution risks are exhaustively examined at the time of delivery, and rejected where required.

Information processing and security

The Group's primary focus in this sensitive area is on data security, systems compatibility and effectiveness, outage and access protection, manipulation and malware protection, and operating reliability. Groupwide IT activities are managed by the Head of Information Technology and the Information Security Officer on the basis of a set of IT guidelines, defined standard IT processes in accordance with ITIL and a certified management system for information security in accordance with ISO 27001.

The instructions are structured to ensure that IT services meet requirements in relation to availability, confidentiality and integrity, and that personnel and product resources are deployed effectively and efficiently in providing IT services.

Security and user authorisation systems have also been implemented, as well as back-up computer centres to reduce the risk of a system failure caused by defective hardware, data loss or data manipulation. The data protection guidelines comply with the legal requirements of the General Data Protection Regulation.

(Digital) IT security training sessions are also held regularly to raise employee awareness about such risks (e.g. cyber-attacks). Furthermore, regular external cyber-attack tests are conducted in order to check the efficacy of the measures implemented. Corresponding insurance policies in the cyber and crime area are in place.

The AMAG Group takes data protection very seriously. Additional measures to avoid data misuse have been implemented. A data protection audit was carried out.

Due to the COVID-19 pandemic, the options and scope for teleworking were expanded in the previous year and the related technical requirements put in place for a large number of employees. Particular attention was paid to the issue of data protection and a secure application. TISAX certification has been agreed for 2022 in order to meet German automotive industry requirements.

Risks arising from insufficient supervisory systems and fraudulent activities

An extensive internal control system in order to identify risks at an early stage, and to monitor and avoid them, has been established. This system provides all of the instruments and procedures required for the avoidance and timely identification of risks, and for appropriate responses to any risk incidents.

BUSINESS RISKS

Procurement

To manufacture products, raw and auxiliary materials are required from external sources that may be subject to price and availability risks.

Alumina, among other materials, is required for primary aluminium production. The AMAG Group is responsible for supplying the Canadian Alouette smelter with alumina in accordance with its 20 % interest. In addition to the price, the availability of alumina is also a significant risk, which is mitigated by a sufficient number of suppliers and the qualification of several alumina refineries. When selecting suppliers, care is taken – as far as is possible in light of industrial structure and size – to ensure that suppliers act responsibly in order to minimise the environmental and social effect of bauxite mining.

The main risk for the casthouses lies in the sufficient supply of primary material in terms of both quantity and quality, especially in relation to scrap. This risk is minimised through long-term contracts with professional metals dealers where business relationships have been established over many years and which have major collection points, and by internationally diversified sourcing. With continuous investments in new scrap sorting and processing technologies, a wide range of scrap can be processed and used. This further secures supplies of scrap. In addition to scrap, the primary metal required is procured, in the form of ingots or sows, from recognised international suppliers with which the company maintains long-standing business relationships. The AMAG Group also has the option to purchase primary aluminium for the Ranshofen site directly from the Alouette smelter.

Particularly with regard to key metal alloys (e.g. magnesium), the risk of supply shortages due to supply chain problems has already been mitigated in recent years by expanding the supplier portfolio. Moreover, safety stocks were increased accordingly in 2021. This represented an early response to uncertainties related to maintaining the supply chain.

The rolling mill sources most of its rolling slabs, which utilise a high proportion of recycled materials, from AMAG's own casthouse in Ranshofen. To secure the remaining volumes required, contracts have been concluded with renowned international partners following a qualification process. AMAG components, as part of the AMAG Group, will in future also be supplied with plates directly from the AMAG rolling mill.

Inventories of critical materials are reviewed on an ongoing basis. In addition, supplier and service provider risk is countered by expanding the portfolio.

Compliance rules for suppliers include descriptions of codes of conduct connected with the special responsibility in relation to society, shareholders, employees and business partners. Suppliers for the Ranshofen site are correspondingly obligated to comply with such rules. Suppliers are assessed on a regular basis.

Market environment and sales

As an internationally operating company, the AMAG Group is exposed to macroeconomic risks, which can influence price and demand, among other things. Examples of such risks include global economic trends, the political situation in individual sales regions, international trade restrictions and the introduction of customs tariffs. While the business environment and sales markets in 2020 were in part severely affected by the COVID-19 pandemic, numerous sales markets of relevance to the AMAG Group recorded positive trends during the past financial year. However, trends in COVID-19 infection numbers as of the autumn of 2021, as well as the threat from viral mutations, make it clear that the COVID-19 pandemic is still present. As a consequence, the AMAG Group's sales markets may also be negatively affected by the further development of this pandemic. The AMAG Group will continuously monitor developments in the global market environment and initiate appropriate measures as required.

The AMAG Group's broad product range also ensures its independence from a few sales regions, customer sectors and major customers. In 2021, the top 10 customers accounted for 34 % of Group revenue. Long-term agreements with key customers assist in the endeavour to minimise sales risks. At the same time, the Group is extending the product range and sales markets in attractive premium segments that require innovative solutions, sustainable products and top quality. The new hot and cold rolling mills, which expanded the product range towards larger dimensions, also made positive contributions in this context. Meeting the highest standards, particularly those of the automotive and aircraft industries, is of crucial importance. The Rolling Division supplies a large number of customer industries, which vary in their dependence on business cycles (cyclicality). For example, the division supplies to sectors entailing low-to-medium cyclical risk, such as the packaging and sports equipment industries, although it also has customers in cyclical industries such as construction, aircraft, automotive, and automotive suppliers. High flexibility is ensured through forward-looking planning and alternative production routes. With the complete takeover of AMAG components, the AMAG Group has taken a significant strategic step and extended its value chain. The related higher dependence on the aircraft industry may represent an additional risk.

The focus on premium products and a wide range of customer sectors ensures a balanced portfolio. Relations with large customers are supported by joint development projects and high-quality customer service. Liquid aluminium supplies and the development and improvement of new alloys together with customers make an important contribution to greater customer loyalty in the Casting Division. Regular surveys test customer satisfaction. Aluminium price risks and currency risks are minimised by active hedging.

Projects and investments

Risks emanating from large-scale projects are supervised at regular project supervisory meetings. The ongoing search for ways to minimise risks and implement risk-reducing measures forms a key task for project supervisors.

Competitors and the capital market

The AMAG Group is committed without reservation to fair competition, fair and legally compliant contracts with its business partners, as well as compliance with capital market regulations. This commitment takes the form of appropriate rules and regulations (anti-trust guidelines, issuer compliance guidelines and anti-corruption guidelines), and the code of conduct.

The AMAG Group's compliance structure is divided into separate compliance areas. For example, respective compliance officers support the organisation through ongoing training measures, and supervise compliance with internal regulations. A compliance hotline also exists to report any compliance violations anonymously by telephone or email.

Research and development

The general increase in applications for intellectual property rights, driven especially by the aluminium industry's continuing consolidation, poses a risk to development work.

As a consequence, when planning development activities, and in addition to continuous checks, it is essential to review the current patent rights situation, including as part of dedicated external patent searches, and to evaluate and document the present status of research in Austria and abroad, in order to establish the extent of related risk, including implications for AMAG. Internal technical risks and the effects of the respective project on the company's financial performance must be presented when submitting a project proposal. An R&D steering group consisting of senior management and an external group of renowned experts regularly reviews project proposals and the progress of existing projects,

and the patent rights that can be derived from them. Furthermore, joint research activities are always conducted with customers in all areas of relevance, in order to minimise the risk of errors. In order to further minimise risk, the company conducts both manual and automated patent monitoring with external lawyers through all relevant databases as well as personal research conducted by AMAG staff, patent lawyers and members of the scientific advisory council. If third-party industrial property rights are relevant to the AMAG Group, it endeavours in advance either to license them at a favourable price or, if this proves impossible, to lodge corresponding appeals.

The potential reduction of the AMAG Group's technological lead over competitors can represent a further risk. Through regular strategy discussions with customers and ongoing monitoring of competitors, the company ensures that early requirements and (technological) changes are identified and taken into account. New R&D focus projects ensure the continuous further development of the AMAG Group's recycling and alloying expertise.

Legal

The AMAG Group is exposed to various legal risks due to its business activities. The Group has a specialised legal department that examines and appraises legal risks in-house or through recourse to external lawyers, depending on requirement and jurisdiction. When structuring contracts, risks are mitigated through implementing liability limits.

Risks arising from potential losses due to product liability are minimised through quality assurance measures. Moreover, any residual risks are covered by liability insurance policies. The AMAG Group has standard terms and conditions of sale for customers, and standard purchasing conditions for suppliers. As a rule, and as far as possible, these are also utilised by the individual operating companies.

Compliance with legal obligations is monitored continuously. This is done, for example, in the course of internal audits carried out as part of the management systems implemented (e.g. in the area of environmental law and employee protection), as well as through regular external reviews. Moreover, existing regulations may change, which could have an effect on the financial position and performance.

Finance

As an aluminium producer and processor, the AMAG Group is principally exposed to metal price risks and currency risks. Aluminium is traded in US dollars on the LME. Without appropriate hedging measures, the volatility of aluminium prices and the US dollar exchange rate would exert a direct effect on profitability. The Group's mandatory guidelines – its metal management guidelines and financial management guidelines – set out procedures to record and hedge these two main risks.

In order to stabilise results from the AMAG interest in the Alouette smelter, the sales prices of parts of our production can be hedged by forward sales and options. Besides the current market situation, estimates of future aluminium price trends and attendant production costs comprise key decision-making criteria in this context. As a general rule, aluminium price volatility risks in Ranshofen are hedged.

The AMAG Group's metal management function registers all LME-related aluminium purchases and stocks centrally as well as all of the operating companies' LME-related aluminium sales, and constantly calculates the aluminium price risk exposure. The "metals book" – an SAP application developed at AMAG – comprises an important tool in managing exposure. Open aluminium positions are hedged against metal price risk through contracts with brokers and investment banks. As a consequence, the underlying transactions' market price risk is fully offset by countervailing hedge movements. All underlying and hedge transactions in the metals book are marked to market daily. As cast alloys and LME prices are largely insufficiently price-correlated, cast alloy sales are hedged by physical purchases of primary materials. The position is monitored continuously.

The premiums for primary aluminium in addition to the aluminium price affect the AMAG Group on both the purchasing and sales side. These premiums can develop differently in individual regions. The metal management in the AMAG group regularly measures and evaluates the premium status. If necessary, hedging transactions can also be carried out for these premiums.

Potential margin requirements associated with hedging (liquidity risks) are covered with liquid funds. Counterparty risks on derivatives with a positive market value are limited by the careful selection of international banks and brokers, and a limit policy for risk diversification. The AMAG Group operating companies utilise credit insurance and banking collateral such as guarantees and letters of credit in order to limit default risk on receivables.

Financing and investment activities, the hedging of such activities, and foreign currency management are managed centrally for the entire Group. Working capital financing is based on short-term liquidity planning. Centralised daily euro pooling serves the purpose of financial equalisation within the Group. Medium and long-term corporate financing occurs on the basis of preview and budget data. Interest-rate risks pertaining to variable rate financing facilities can be hedged proportionally by way of swaps and caps. Ensuring an adequate level of liquidity and constant monitoring of potential default risks are implemented on an ongoing basis. Relevant financial covenants have been suspended or modified up to and including December 31, 2022.

Counterparty risks relating to bank balances are actively managed by setting deposit limits for each bank, and – where available – by making recourse to credit ratings and the regular monitoring of CDS spreads.

To the extent that receipts and payments in the same foreign currency do not provide a natural hedge against exchange rate risk, AMAG proportionally hedges major foreign currency exposures through forward currency transactions and, where required, options.

At its Ranshofen site, the AMAG Group has a payment process integrated into SAP. Manipulation risk in payment transactions is minimised through eliminating possibilities to intervene manually at interfaces. Billing and payment approvals occur Groupwide according to a multiple control principle secured in both technical and organisational terms.

RISKS FROM THE INTEREST IN ALUMINERIE ALOUETTE

The significant arrangements relating to the joint operation of the Alouette smelter, in which the AMAG Group holds a 20 % interest, are set out in a consortium agreement. In the case of significant decisions regarding Alouette's business, resolutions with 90 % approval are required. With the present ownership structure, and also in the instance of a change in the ownership structure, the risk exists of conflicting interests among shareholders.

Pursuant to the existing consortium agreement, obligations exist that are of essential importance for current production operations. A failure to satisfy such obligations could result in a loss of co-determination rights, implying liability on the part of the AMAG Group for potential losses. This applies, for example, with respect to the procurement of AMAG's share of the alumina required for production.

The sales price for the primary aluminium produced at Alouette is mainly defined by the price on the London Metal Exchange, which AMAG is consequently unable to influence. This investment's long-term and sustainable profitability requires a beneficial cost position on an international comparison. The long-term electricity contract agreed since 2017, cost-optimised production, and logistical advantages through direct access to deep-sea harbours represent important cornerstones of the smelter's long-term competitiveness. Strategic hedging instruments can also be deployed to reduce the risk of loss and the volatility of results.

Due to IFRS accounting standards, the electricity price formula for the electricity contract generates an embedded derivative whose recognition might temporarily affect the level of equity reported by AMAG Group. The electricity contract and the accounting parameters are regularly evaluated. An evaluation of the electricity contract and of the financial accounting parameters is conducted on a regular basis.

As far as operative risks are concerned, a proprietary risk management system and an extensive insurance concept also exist for the smelter. The risk of damages from events such as the loss of production owing to electrical power outages caused by bad weather is largely covered. Operative risks, such as production stoppages (lasting several hours), internal power failures, the useful life of pot linings, and risks relating to occupational health and safety, personnel and the supply of essential primary materials (e.g. petroleum coke) are monitored continuously and minimised by taking appropriate measures. As far as electricity supplies are concerned, even greater supply security for electric power has existed since the end of 2015 due to the construction of a redundant power line.

BUSINESS OPPORTUNITIES

The AMAG Group concentrates on premium products in attractive market niches across a broad spectrum of industrial sectors. The business positioning with primary aluminium from Alouette and high-quality recycling foundry alloys and rolled products from Ranshofen offers a balanced mix of stability and growth.

The integrated site in Ranshofen with casthouses and rolling mills, and its geographic proximity to strong industrial regions foster further technological development and intensive customer service. The re-acceptance and recycling of aluminium fabrication waste in a closed loop (so-called closed loop recycling) and liquid aluminium supplies additionally bolster customer loyalty. As a leading supplier of innovative products, the AMAG Group responds flexibly and rapidly to customers' requests on a customised basis. Thanks to the unique alloy and product diversity at one site, our customers are offered both innovative and customised products for very varied application areas. The AMAG Group also stands out clearly from its competitors with its extensive certifications in the areas of quality, sustainability and occupational safety.

Compared with the sector, the AMAG Group is characterised by a very high proportion of specialty products, and consistently pursues a strategy focused on innovation and sustainability. The innovative strength will continue to be augmented in the coming years by expanding research and development activities. The employees' high level of specialist and technical expertise plays an important role in this context. With the CMI (Center for Material Innovation), AMAG offers a cutting-edge working environment with state-of-the-art working equipment. AMAG also makes recourse to an extensive network of renowned universities and research institutions.

Outstanding technological capabilities in the areas of sensor-based scrap sorting, casting and rolling, cladding, and the surface and heat treatment of rolled products, opens up opportunities for the AMAG Group to further expand in attractive areas (such as automotive, aircraft, packaging, construction, engineering applications and high-strength materials for sports industry applications, as well as braze clad materials and cathode sheets).

With the expansion of the Ranshofen plant in recent years, the capacity and product portfolio of aluminium rolled products was significantly expanded to larger dimensions (width, thickness). New markets can be tapped and existing customer relationships expanded as a consequence. During the past few years, the AMAG Group has received important approvals from many customers. Productivity enhancement and continuous cost optimisation can further improve the AMAG Group's competitiveness. Additional growth potentials are being tapped by investing in extending the vertical range of manufacture and investments in the foundry plant park.

The AMAG Group ascribes a high priority to the digitalisation of processes. An appropriate framework for the integration of forward-looking digital technologies has already been created. The company has actively seized the opportunities that digitalisation presents, and its digitalisation strategy is being closely coordinated with the Information Processing and Security department.

Considerable potential also exists for the AMAG Group to achieve successful growth in marketing high-quality products worldwide. For this reason, the international sales marketing network has been expanded consistently over the past years.

The two casthouses at Ranshofen offer the smelting technologies for almost all types of scrap, high-level skills and expertise in scrap sorting, as well as a high-tech plant for scrap processing. The Recycling Center Ranshofen has been consistently expanded over recent years.

A long-term trend towards greater sustainability has been observable for some years. The target of reducing CO_2 emissions plays an especially important role worldwide here. The AMAG Group has always been involved in the development of sustainable products. It is very well positioned in the industry due to the harnessing of hydroelectric power at the Alouette smelter in Canada, renewable energy sources for electricity requirements at the Ranshofen site and the high recycling share.

The AMAG Group's high level of technological expertise in recycling and closed loop projects with customers opens up opportunities to conserve raw materials and improve its products' net carbon footprint. Certifications according to the Performance Standard as well as according to the Chain of Custody Standard of the Aluminium Stewardship Initiative (ASI) furnish important evidence of the company's responsible production and procurement of aluminium. Establishing binding supply chain standards offers the opportunity for sustainable customer loyalty. It is to be assumed that the AMAG Group will benefit from the increasing trend towards lightweight construction in the automotive sector, which is also being driven by the rise in electromobility.

The Alouette smelter in which the AMAG Group owns a 20 % interest commands an advantageous cost position on a sector comparison. The electricity price is based on the market price for aluminium in US dollars. This significantly improves the risk associated with fluctuations in aluminium prices and exchange rates. **(GRI 102-11)**

Corporate governance report

The corporate governance report of AMAG Austria Metall AG can be downloaded at www.amag-al4u.com > Investor Relations > Corporate Governance.

DISCLOSURES PURSUANT TO SECTION 243A (1) UGB

The following disclosures are made pursuant to Section 243a of the Austrian Commercial Code (UGB):

The share capital of AMAG Austria Metall AG amounts to EUR 35,264,000, and is divided into 35,264,000 nil par shares, each corresponding to EUR 1 of the share capital. All the shares confer the same rights and obligations. No shares exist that carry special control rights. Each share grants one vote at the general meeting of shareholders. No differing classes of shares exist. **(GRI 102-5)**

The Management Board is aware of the following agreements between shareholders:

- Investment agreement between B&C Industrieholding GmbH and Raiffeisenlandesbank Oberösterreich Aktiengesellschaft dated April 1, 2015: On the basis of this investment agreement with Raiffeisenlandesbank Oberösterreich Aktiengesellschaft, a further 16.5 % of the share capital and voting rights of AMAG Austria Metall AG are attributable to B&C Privatstiftung.
- Investment agreement between B&C Industrieholding GmbH and Esola Beteiligungsverwaltungs GmbH dated February 12, 2019: On the basis of this investment agreement, a further 4.19 % of the share capital and voting rights are attributable to B&C Privatstiftung pursuant to Section 133 (1) and (7) of the Austrian Stock Exchange Act (BörseG) 2018.

Direct or indirect holdings in the company representing ten percent or more of its capital are comprised as follows as of the end of 2021: **(GRI 102-5)**

B&C Privatstiftung	52.7 %
Raiffeisenlandesbank Oberösterreich AG	16.5 %
AMAG Arbeitnehmer Privatstiftung	11.5 %

The voting rights attaching to the shares held in AMAG Austria Metall AG by AMAG Arbeitnehmer Privatstiftung (the AMAG Employees' Private Foundation) are exercised by the latter's management board, which has three members. The manner in which these voting rights are exercised requires the approval of the Foundation's advisory board, however. Decisions are taken at joint meetings of the Foundation's management board and advisory board. Approval is passed with a simple majority. The advisory board consists of three members nominated by the Group executive committee. The chair of the management board has a casting vote. The employees at the Austrian site are the Foundation's beneficiaries.

Amendments to the company's articles of incorporation require a simple majority of the votes cast and the capital, unless the law prescribes a greater majority. Supervisory Board members can be recalled before the end of their term of office by a simple majority.

Loans as part of one promissory loan note issued, seven bilateral loan agreements as well as three committed credit lines contain change-of-control clauses that grant the lending banks a right of termination in the case of a change of control at AMAG Austria Metall AG. Apart from the aforementioned agreements, AMAG Austria Metall AG has entered into no other material agreements that would come into effect, be modified or terminate as a consequence of a change of control at AMAG Austria Metall AG due to a takeover bid.

All Management Board members' contracts contain change of control clauses. The severance payment claim in such a case is limited to the remaining term of the Management Board contract, albeit to a maximum of two years' total remuneration.

Approved share capital

Pursuant to Section 4 (5) of the articles of incorporation of AMAG Austria Metall AG, the Management Board is authorised until September 22, 2025, with the approval of the Supervisory Board, to increase the company's share capital – in several tranches if necessary – by up to EUR 17,500,000 by issuing up to 17,500,000 new nil par value bearer or registered shares in return for cash and/or non-cash capital contributions, and to determine the type of shares, the issue price and the issue conditions (Approved Capital 2020). Statutory subscription rights can be granted to the shareholders by transferring the capital increase to a bank or a syndicate of banks with the obligation that it be offered to shareholders according to their subscription rights (indirect subscription rights). However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the event of a capital increase from the authorised capital (i) if the capital increase is made against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, equity interests in companies or other assets related to an acquisition project, (ii) to service an over-allotment option (greenshoe) or (iii) to settle fractional amounts. The Supervisory Board is authorised to approve amendments to the articles of incorporation arising from the issue of shares from authorised capital.

Convertible bond issue

By resolution of the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised pursuant to Section 174 (2) of the Austrian Stock Corporation Act (AktG), with the approval of the Supervisory Board, to issue convertible bonds within five years from the date of this resolution, i.e. until July 21, 2025, including in several tranches, which grant or provide for subscription or conversion rights or a subscription or conversion obligation for a total of up to 17,500,000 shares of the company (Convertible Bond 2020). The issue amount, the issue, the conversion procedure of the convertible bonds and all other conditions are to be determined by the

Management Board with the approval of the Supervisory Board. The issue amount and the conversion ratio are to be determined in accordance with recognised methods of financial mathematics as well as the stock market price of the shares in the company in a recognised pricing procedure. The statutory subscription right may be granted to the shareholders in such a way that the convertible bonds are underwritten by a credit institution or a syndicate of credit institutions with the obligation to offer them to the shareholders in accordance with their subscription right (indirect subscription right). The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in whole or in part when issuing convertible bonds (i) if the convertible bonds are issued against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, interests in companies or other assets related to an acquisition project, or (ii) to compensate for fractional amounts resulting from the subscription ratio. The Management Board is further authorised, with the consent of the Supervisory Board, to wholly or partially exclude subscription rights to convertible bonds if the Management Board, after due examination, arrives at the opinion that the bonds' issue amount at the time of the final determination of the issue amount is not less than their hypothetical market value calculated according to recognised methods, especially financial mathematical methods, and the subscription shares' conversion price or subscription price (issue amount) is in each case calculated in a recognised pricing process according to recognised financial mathematical methods as well as the price of the company's ordinary shares, and does not lie below the stock exchange price of the company shares during the 20 trading days preceding the date of the announcement of the convertible bond issue.

Conditional capital

The company's share capital is increased conditionally pursuant to Section 159 (2) Clause 1 of the Austrian Stock Corporation Act (AktG) by up to EUR 17,500,000 through issuing up to 17,500,000 ordinary nil par value ordinary bearer shares (nil par value shares) for issuing to holders of convertible bonds, for which the Management Board was authorised by the Shareholders' General Meeting of July 21, 2020 (Conditional Capital 2020). The capital increase may only be carried out to the extent that creditors of convertible bonds exercise their subscription or conversion rights to shares in the company, or those who are obligated to subscribe or convert fulfil their obligation to subscribe or convert, and the Management Board passes a resolution to service these convertible bonds with new shares. The issue amount and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics as well as the price of the company's ordinary shares in a recognised pricing procedure (basis for calculating the issue amount); the issue amount may not be lower than the pro rata amount of the share capital. The new shares to be issued in the conditional capital increase are fully entitled to dividends for the entire financial year in which they are issued. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the articles of incorporation in accordance with the respective issue of the subscription shares. The same applies in the event of non-utilisation of the authorisation to issue convertible bonds after expiry of the authorisation period, and, in the event of non-utilisation of the conditional capital, after expiry of the deadlines in accordance with the convertible bond conditions.

Share repurchase

At the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised – with the simultaneous cancellation of the relevant resolutions of the Annual General Meeting of April 17, 2018 – to purchase treasury shares for the company, with the approval of the Supervisory Board (the lowest price to be paid at the time of repurchase is 25 % below the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program, and the highest price to be paid at the time of repurchase is 25 % above the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program), as well as to determine the repurchase conditions, whereby the Management Board must publish the Management Board resolution and the respective repurchase program that is based upon it, including its duration, in accordance with the statutory provisions (in each case). The Management Board may exercise this authorisation within the statutory limits on the maximum permissible number of treasury shares once or several times in total up to a maximum limit of 10 % of the share capital. The authorisation can be exercised wholly or in part, or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The purchase can occur through the stock market or off-bourse, in compliance with statutory regulations. Trading in treasury shares is excluded as the purpose of the purchase. The Management Board was also authorised, with the consent of the Supervisory Board, to redeem or resell the acquired treasury shares without requiring a further resolution by the Annual General Meeting and to determine the terms and conditions of the sale. The authorisation can be exercised wholly or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The Management Board was also authorised for a period of five years from July 21, 2020, pursuant to Section 65 (1b) of the Austrian Stock Corporation Act (AktG) – with simultaneous cancellation of the relevant resolutions of the Annual General Meeting of April 17, 2018 – to determine, with the consent of the Supervisory Board, a legally permissible method of sale other than via the stock exchange or a public offer, and to decide on any exclusion of the shareholders' repurchase rights (subscription rights) and to determine the terms and conditions of the sale.

OUTLOOK

ECONOMIC OUTLOOK FOR 2022

Following expected global economic growth of 5.9 % in the year under review, the IMF's[26] economists forecast that gross domestic product (GDP) will expand by a further 4.4 % in 2022.

With a look to industrialised nations, the IMF expects the economy to grow by an average of 3.9 % (2021: +5.0 %). Eurozone GDP is expected to expand by 3.9 % (2021: 5.2 %), with slightly lower growth of 3.8 % forecast for Germany, as an industrialised nation (2021: 2.7 %). Similar to the Eurozone, the IMF expects economic growth of 4.0% for the USA in 2022, after an increase of 5.6% in the 2021 reporting year. In Japan, the economy is forecast to grow at a somewhat more moderate rate of 3.3 %, compared with 1.6 % in 2021. By contrast, GDP growth in Canada is expected to be much stronger at 4.1 % in 2022 (2021: 4.7 %). The forecast for the UK reflects an increase of 4.7 %, down from 7.2 % in 2021. The Austrian economy is expected to report growth of 5.2 % in 2021, according to the Austrian Institute of Economic Research (WIFO) (2021: +4.1 %).[27]

IMF forecasts anticipate that the economy in the group of emerging and developing countries will expand by 4.8 % in 2022 (2021: +6.5 %).[28] In China, after growth of 8.1 % in 2021, growth is anticipated to be noticeably lower in 2022, at +4.8 %. By contrast, growth in India in 2022 is forecast to be around 9.0 %, the same as in the previous year.

Due to the renewed increase in the COVID-19 infection rate in the autumn of 2021 and the uncertainty relating to the further course of the pandemic, the forecasts of the IMF are subject to correspondingly large uncertainties. Among other factors, the rapid spread of the COVID-19 "Omicron" virus variant since the end of the fourth quarter of 2021, the significant cost inflation and impaired supply chains may significantly impact economic growth. In addition, there are uncertain geopolitical developments that can quickly have significant effects. Overall, in its current forecast, the IMF points out that the downside risks predominate due to the uncertainties described.

26) See IMF, World Economic Outlook, January 2022
27) See WIFO, press release on the "Forecast for 2021 to 2023", December 2021
28) See IMF, World Economic Outlook, January 2022

ALUMINIUM MARKET OUTLOOK

MARKET OUTLOOK FOR 2022

In the year under review it was already possible to more than offset the COVID-19-related demand reductions from 2020 in relation to both primary aluminium and aluminium rolled products. This positive demand trend for aluminium products is expected to continue in the coming year, according to the CRU.

In the primary aluminium sector, the CRU forecasts growth of 1.7 % to 69.5 million tonnes in 2022.[29] With production expected to expand by just 0.2 % to 67.0 million tonnes, this will lead to an even greater market deficit of around 2.5 million tonnes in 2022.

Demand for aluminium rolled products is expected to grow by 6.2 % to 31.4 million tonnes in 2022. With almost identical global production volumes, the market equilibrium from 2021 should thereby also continue to be achieved in 2022.[30]

As aluminium is a material that is deployed and processed in various industries due to its numerous positive properties (weight, stability, formability, etc.), a positive trend is evident in all of the areas to which the CRU refers. Current sustainability trends are exerting a positive effect on the demand trend for aluminium. Examples include the promotion of electromobility and the production of lightweight vehicles.

In detail, the CRU expects global demand for aluminium rolled products from the transport sector to grow by 16.1 % to 5.1 million tonnes in 2022.[31] In the mechanical engineering sector, demand is expected to increase by 6.0 % to 2.2 million tonnes. The construction sector and likewise other consumer goods are both expected to expand by over 3 % to 3.9 million tonnes and 3.4 million tonnes respectively. For the large-volume packaging industry, an increase of 4.8 % to 16.8 million tonnes is expected.

29) See CRU, Aluminium Market Outlook, October 2021
30) See CRU, Aluminium Rolled Products Market Outlook, November 2021
31) See CRU, Aluminium Rolled Products Market Outlook, November 2021

MEDIUM-TERM MARKET OUTLOOK UP TO 2026

Global demand for primary aluminium is set to expand by 1.5 % per year on average to reach 73.5 million tonnes by 2026, according to recent CRU forecasts.[32] Average annual growth in Europe is estimated at 0.9 %. This is expected to lead to demand for 9.7 million tonnes of primary aluminium in 2026. In North America, the CRU forecasts that demand will expand by 2.4 % per year to reach 7.1 million tonnes by 2026. In China, a comparatively low average growth rate of 0.7 % per year is expected. The CRU forecasts Chinese demand at 41.1 million tonnes by 2026.

The CRU see signs emerging of significantly higher annual growth in the area of aluminium rolled products.[33] Global demand is expected to expand by 4.1 % annually on average in the coming years. This implies global demand of 36.1 million tonnes for 2026 (2021: 29.6 million tonnes). In the core markets of Western Europe and North America, attractive annual growth rates of 3.6 % and 5.2 % respectively are also forecast. In Asia, too, demand is expected to expand by 3.6 % annually. China is forecast to grow by 3.1 % per year up to 2026.

The transport industry continues to represent the major driver of demand growth for aluminium rolled products. The CRU forecasts growth rates of 8.5 % p.a. in this sector over the next five years. Demand for aluminium sheet for the automotive industry is expected to rise strongly. The CRU anticipates an increase from 1.8 million tonnes in 2021 to 3.0 million tonnes in 2026.[34] This corresponds to an annual growth rate of 11.7 %. However, further demand growth can also be expected in other areas such as in the packaging, construction and engineering industries. The CRU forecasts annual growth rates of between 2.3 % and 3.4 %.[35]

The forecasts from the CRU confirm the attractive market prospects for aluminium and at the same time provide a good basis for the continuation of the AMAG Group's sustainably successful growth course.

THE 2022 BUSINESS TREND OUTLOOK

Following a successful 2021, the AMAG Group started the 2022 financial year with a gratifying order book position. The positive outlook for the aluminium market, the broad-based product portfolio and a long-term business model with a strategic focus on innovation and sustainability offer good conditions for again achieving a good result in the 2022 financial year despite significant cost increases.

In the Casting and Rolling divisions, shipments increased significantly in the past financial year. Based on the new order intake and the CRU's forecast growth rates, it is to be assumed that shipments will continue to grow in 2022. In the aircraft sector, signs emerged of an improvement in shipments in the second half of 2021. The AMAG Group expects this trend to continue in the 2022 financial year, thereby also benefiting the components business. The increasing effect on earnings of rising production costs since mid-2021 will continue to affect profitability during the coming year. The further trend in energy, raw material and logistics costs will play a key role in this respect. Challenges related to compromised supply chains and workforce availability are expected to remain significant during the 2022 financial year.

As far as the interest in the Canadian smelter Alouette is concerned, a particularly positive market environment was leveraged over the past financial year thanks to stable production operations. Particularly from the end of the third quarter of 2021, some signs arose of significant volatility in the price of aluminium and key raw materials (especially alumina and petroleum coke). The earnings trend for 2022 will be significantly influenced by the further trend in the prices of primary aluminium and of alumina, as well as the premium level in the USA and Europe. The generally good cost position and sustainable production harnessing hydroelectric power remain valuable prerequisites for the company's sustainable and profitable development and growth.

For the reasons described above, as well as due to uncertainties in relation to general economic growth owing to the further course of the COVID-19 pandemic, it is not possible at the present time to forecast earnings.

32) See CRU, Aluminium Market Outlook, October 2021
33) See CRU, Aluminium Rolled Products Market Outlook, November 2021
34) See CRU, Aluminium Automotive Data, October 2021
35) See CRU, Aluminium Rolled Products Market Outlook, November 2021

The Management Board is convinced that, following a successful 2021, the AMAG Group is starting the 2022 financial year with good preconditions in place.

Ranshofen, February 8, 2022

The Management Board

Mag. Gerald Mayer
Chief Executive Officer,
Chief Financial Officer

Priv.-Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Operating Officer

Victor Breguncci, MBA
Chief Sales Officer

CORPORATE **GOVERNANCE**

SUPERVISORY BOARD REPORT

Dear ladies and gentlemen,

In the 2021 financial year, the Supervisory Board performed with great care the tasks incumbent upon it according to the law and the company's articles of incorporation, and in compliance with the Austrian Corporate Governance Code. The Management Board reported regularly to the Supervisory Board both verbally and in written form, promptly and comprehensively on all material developments within the company, its business policy, on the financial position and performance, investments, and other fundamental issues relating to corporate management and planning. In addition, ESG was included as a standard reporting topic in order to take into account the high relevance of sustainable corporate management.

Between meetings, the Management Board kept the Supervisory Board informed of important events on an ongoing basis. Current specific topics and projects were discussed in regular conversations between the Management Board and the Supervisory Board Chairman. Individual issues were dealt with in detail in the committees set up by the Supervisory Board, which in turn reported to the full Supervisory Board on their activities. Circular resolutions were passed in cases of particular urgency.

MAIN TOPICS OF THE MEETINGS

In the year under review, the Supervisory Board of AMAG Austria Metall AG met on February 24, April 13, June 9, September 14 and on November 24, 2021, in accordance with the obligations imposed by law and the articles of incorporation. These meetings included discussions with the Management Board on the course of business as well as the Group's current performance and strategic development. In order to implement the concept that had been approved for the further strategic alignment of the company, a corresponding update was prepared by the Strategy Committee and discussed by the Supervisory Board. In particular, following the acquisition in 2020 of a majority interest in Aircraft Philipp, work was carried out on its integration into the AMAG Group and on optimising the value chain. Aircraft Philipp became wholly owned by AMAG at the end of 2021 and will operate under the name "AMAG components" in the future.

With a view to the climate targets set in the EU and in Austria, potential effects of the energy transition on AMAG and corresponding measures also formed the focus of the discussions. A decarbonisation roadmap was drawn up by the Management Board and discussed by the Supervisory Board. Necessary investments for continuous site development were approved. The continued, ongoing COVID-19 pandemic has made the working environment more complicated. The Management Board has implemented measures to contain the related negative effects. In addition, the Supervisory Board was concerned with the company's personnel development as well as with matters in relation to research & development and digitalisation.

Victor Breguncci's Management Board contract was extended by a further four years until May 2026. Moreover, a new managing director of AMAG rolling GmbH was appointed within the company as of September 1, 2021.

Future business policy, and future financial position and performance trends, were agreed as part of the planning for 2022, as well as the medium-term planning through to 2026. The Supervisory Board also concerned itself with the issuer compliance officer's annual activity report, as well as with the Supervisory Board's self-assessment, which was accompanied by external experts, and with the audit of the non-financial statement.

Pursuant to the Austrian Corporation Law COVID-19 Directive (COVID-19-GesV), a resolution was passed to hold the Annual General Meeting as a virtual meeting on April 13, 2021. The Supervisory Board of AMAG Austria Metall AG reconstituted itself at its meeting on April 13, 2021. Both the Chairman of the Supervisory Board and his deputies were re-elected. The members of the Audit, Nomination, Remuneration and Strategy committees, as well as the Committee for Urgent Matters, were also re-elected.

SUPERVISORY BOARD AND COMMITTEES

The corporate governance report provides further information about the composition and working methodology of the Supervisory Board.

The Remuneration Committee of the Supervisory Board of AMAG Austria Metall AG convened on four occasions during the 2021 reporting year. Representatives of the auditors attended the meetings to report on their auditing activities. Specific financial accounting topics were also discussed in the auditor's presence. In addition to examining and preparing the adoption of the annual financial statements and the consolidated financial statements, the Audit Committee dealt with the additional tasks pursuant to Section 92 (4a) of the Austrian Stock Corporation Act (AktG); in particular, it critically examined and monitored the functioning and effectiveness of the internal control, audit and risk management systems. The Audit Committee also concerned itself with the requirements of the EU Taxonomy Regulation. The results were subsequently discussed with the plenary Supervisory Board.

The Nomination Committee of AMAG Austria Metall AG met on three occasions during the year under review. It discussed the extension of Victor Bregunccí's contract as Chief Sales Officer and nominations for election to the Supervisory Board, and corresponding proposed resolutions. The Nomination Committee also concerned itself with the appointment of a managing director at AMAG rolling GmbH.

The Remuneration Committee of AMAG Austria Metall AG convened for four meetings during the reporting year. Target agreements with the Management Board were dealt with in depth. The Remuneration Committee also concerned itself with the preparation of the AMAG Austria Metall AG remuneration report, the extension of Victor Bregunccí's contract, and the inclusion of ESG targets in Management Board contracts with effect from the 2022 financial year on.

The Strategy Committee met once during the year under review, and concerned itself, in particular, with the implementation and update of the approved strategy, market-relevant topics and the further strategic development of AMAG Austria Metall AG. The results were subsequently discussed with the plenary Supervisory Board.

CORPORATE GOVERNANCE

The Supervisory Board of AMAG Austria Metall AG is committed to complying with the Austrian Corporate Governance Code, and consequently to responsible corporate governance and control systems designed to deliver sustainable value creation. A summary of activities in this area is presented in the corporate governance section in this annual report and on the website of AMAG.

AUDIT AND APPROVAL OF THE 2021 ANNUAL FINANCIAL STATEMENTS

The Management Board prepared the separate annual financial statements, the separate management report, the consolidated financial statements according to International Financial Reporting Standards (IFRS), the Group management report as of December 31, 2021, including the non-financial statement, and the disclosures required pursuant to Section 245a of the Austrian Commercial Code (UGB), which Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. (appointed pursuant to Section 270 UGB) audited and awarded an unqualified audit opinion. The Supervisory Board, in the auditor's presence, examined in the meaning of Section 96 AktG the separate and consolidated annual financial statements, the management report and the Group management report, including the non-financial statement, as well as the corporate governance report and the proposal for the distribution of profit with the audit findings, and approved them on February 16, 2022. The Supervisory Board concurs with the Management Board's proposal for the application of profits, whereby a dividend of EUR 1.50 per dividend-entitled share is to be distributed. The separate annual financial statements have thereby been adopted pursuant to Section 96 (4) AktG.

THANKS

The Supervisory Board would like to express its thanks and recognition for the hard work of the Management Board and of all employees at AMAG. Thanks to their personal commitment, AMAG successfully continued on its growth track and was able to achieve outstanding results this year.

We also appreciate the trust and close connections that we enjoy with our shareholders, customers, suppliers and lenders, and look forward to our further successful cooperation.

Ranshofen, February 16, 2022

Dipl.-Ing. Herbert Ortner

Chairman of the Supervisory Board

CORPORATE GOVERNANCE REPORT

DECLARATION CONCERNING THE AUSTRIAN CORPORATE GOVERNANCE CODE

The Austrian Corporate Governance Code (ÖCGK) provides domestic stock corporations with a framework for the management and supervision of companies. The Code aims to establish corporate governance and controlling that is oriented towards responsibility, as well as towards sustainable and long-term value creation. This in turn is intended to create a high level of transparency for all stakeholders in the company.

The Code is publicly accessible at www.corporate-governance.at. The Code is based on the guidelines of the Austrian Stock Corporation Act (UGB), the Stock Exchange Act and the Capital Market Act, European Union recommendations on tasks of supervisory board members and remuneration of management board members, and the principles of the OECD guidelines on corporate governance. It is based on a voluntary commitment.

The Management and Supervisory Boards of AMAG Austria Metall AG have recognised and implemented the Code. AMAG Austria Metall AG is consequently committed to adhering to the Austrian Corporate Governance Code in its latest version.

The Corporate Governance Code contains the following rules:

- "L rules" (legal), these are legally prescribed measures;
- "C rules" (comply or explain), where a failure to comply must be explained;
- "R rules" (recommendations) are recommendations that AMAG Austria Metall AG largely follows.

AMAG Austria Metall AG adheres to all "L rules" and "C rules".

Pursuant to Rule 62 of the Austrian Corporate Governance Code, compliance with the Code's provisions should be evaluated externally on a regular basis, in other words, at least every three years. The last evaluation was conducted for the 2020 financial year. In accordance with Rule 62 of the Austrian Corporate Governance Code, the next external evaluation is planned for the 2023 financial year.

MANAGEMENT AND SUPERVISORY BOARDS' WORKING METHODOLOGIES

AMAG Austria Metall AG is a public stock corporation established under Austrian law with a Management Board and a Supervisory Board as its management bodies (dualistic system).

The Management Board consisted of three members at the end of 2021. The Supervisory Board appoints the members of the Management Board.

The Management Board conducts business based on the law, the Austrian Corporate Governance Code, the articles of incorporation and the rules of business procedure. These set out regulations for the collaboration between the Management Board members and the allocation of responsibilities. The Management Board members constantly exchange information with each other. At Management Board meetings, they discuss the current course of business, make decisions and pass resolutions. Meetings are to be held at regular intervals, if possible at least every two weeks.

The Management Board informs the Supervisory Board concerning all issues of relevance to financial and strategic business development. This includes the risk position and risk management of both the company and its significant Group companies. Information is provided promptly and comprehensively at regular meetings. Moreover, ongoing coordination occurs between the Supervisory Board Chairman and the Management Board Chairman (CEO).

The Supervisory Board supervises the company's Management Board and supports it in the executive management of the company, especially in relation to decisions of fundamental significance.

COMPOSITION OF THE MANAGMENT BOARD

In 2021, no changes were made to the AMAG Austria Metall AG Management Board team. The composition of the Management Board is thereby unchanged compared with the previous year. The contract of Chief Sales Officer Victor Bregunccci was extended for a further four years in September 2021.

	Mag. Gerald Mayer Chief Executive Officer	**Priv.-Doz. Dipl.-Ing. Dr. Helmut Kaufmann** Chief Operating Officer	**Victor Bregunccci, MBA** Chief Sales Officer
Year of birth	› 1971	› 1963	› 1975
First appointed as Management Board member	› March 1, 2019: Appointment as Management Board Chairman (Chief Executive Officer) › February 18, 2011: Appointment as Chief Financial Officer › November 2007: Initial appointment to the predecessor company Austria Metall AG	› February 18, 2011: Appointment as Chief Operating Officer › September 2007: Initial appointment to the predecessor company Austria Metall AG	› June 1, 2019: Appointment as Chief Sales Officer
End of the current term of office	› December 31, 2022	› December 31, 2022	› May 31, 2026
Allocated Group functions	› Strategy, M&A, Organisation › Personnel › Communications › Investor Relations/Issuer Compliance › Purchasing › Legal › Controlling › Financial Accounting/Tax › Financial Management › Metals Management	› Production Rolling/Casting › Research/Corporate Technology › Innovation Management › Management Systems › AMAG service GmbH › Information Technology	› Strategic Sales Development › Sales Rolling/Casting › Supply Chain Management › Marketing › Market Monitoring and Development
Supervisory board mandates at other companies	› none	› none	› none

COMPOSITION OF THE SUPERVISORY BOARD

At the Shareholders' General Meeting on April 13, 2021, which was held as a virtual meeting in accordance with the Austrian Corporation Law COVID-19 Directive (COVID-19-Gesv), Dipl.-Ing. Herbert Ortner and Dr. Heinrich Schaller were re-elected to the Supervisory Board of AMAG Austria Metall AG. Dipl.-Ing. Walter Oblin was newly elected to the Supervisory Board of AMAG Austria Metall AG. Dipl.-Bw. Peter Edelmann stepped down from the Supervisory Board.

The Supervisory Board of AMAG Austria Metall AG reconstituted itself at its meeting on April 13. Dipl.-Ing. Herbert Ortner was re-elected Chairman of the Supervisory Board, and Dr. Heinrich Schaller was re-elected Deputy Chairman. Mag. Patrick F. Prügger was newly elected as First Deputy Chairman.

All Supervisory Board members participated in at least half of the meetings.

SUPERVISORY BOARD MEMBERS AS OF DECEMBER 31, 2021

Dipl.-Ing. Herbert Ortner (1968)
Supervisory Board Chairman
First appointed: April 17, 2018; Reappointment: April 13, 2021
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2024
Supervisory board mandates at other listed companies: Semperit AG Holding (Chairman)

Mag. Patrick F. Prügger (1975)
First Deputy Supervisory Board Chairman
First appointed: May 16, 2012; Reappointment: July 21, 2020
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2022
Supervisory board mandates at other listed companies: Lenzing AG (First Deputy Chairman)

Dr. Heinrich Schaller (1959)
Deputy Supervisory Board Chairman
First appointed: May 16, 2012; Reappointment: April 13, 2021
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2023
Supervisory board mandates at other listed companies: voestalpine AG (First Deputy Chairman), Raiffeisen International AG (Deputy Chairman)

Dr. Wolfgang Bernhard (1960)
Supervisory Board member
First appointed: April 10, 2019
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2021
Supervisory board mandates at other listed companies: Andritz AG

Dipl.-Ing. Walter Oblin (1969)
Supervisory Board member
First appointed: April 13, 2021
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2024
Supervisory board mandates at other listed companies: -

Univ.-Prof. Dr. Sabine Seidler (1961)
Supervisory Board member
First appointed: May 16, 2012; Reappointment: July 21, 2020
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2023
Supervisory board mandates at other listed companies: -

Dipl.-Ing. Franz Viehböck (1960)
Supervisory Board member
First appointed: April 16, 2015; Reappointment: April 17, 2018
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2022
Supervisory board mandates at other listed companies: -

Mag. Thomas Zimpfer (1983)
Supervisory Board member
First appointed: April 10, 2019
Mandate duration: until the AGM that passes a resolution concerning the discharge for FY 2021
Supervisory board mandates at other listed companies: -

WORKS COUNCIL DELEGATES

Martin Aigner (1968)
Supervisory Board member
Delegated: January 1, 2017

Max Angermeier (1958)
Supervisory Board member
Delegated: April 14, 2011

Robert Hofer (1977)
Supervisory Board member
Delegated: December 31, 2011

Günter Mikula (1966)
Supervisory Board member
Delegated: August 1, 2014

(GRI 405-1)

DISCLOSURES ON THE INDEPENDENCE OF SUPERVISORY BOARD MEMBERS

The Supervisory Board determines the criteria for its independence. This is based on Annex 1 of the Corporate Governance Code. All Supervisory Board members confirmed that they consider themselves independent (Rule 53). This applies to all Supervisory Board members elected by the Shareholders' General Meeting.

Rule 54 is not applicable to AMAG Austria Metall AG at present. The reason for this is the low free float of less than 20 %.

SUPERVISORY BOARD COMMITTEES

The articles of incorporation authorise the Supervisory Board to form committees from among its members. They also define their tasks and rights. Furthermore, they can delegate to the committees the right to take decisions. The employee representatives on the Supervisory Board are entitled to delegate members to the Supervisory Board's committees. This is based on Section 110 (1) of the Austrian Work Organisation Act (ArbVG). This does not apply to committees that handle relationships between the company and its Management Board members.

AUDIT COMMITTEE

The Audit Committee performs the tasks assigned to it in accordance with Section 92 (4a) AktG. It is responsible for the auditing and preparation of the adoption of the separate annual financial statements, the proposal for distributing profit, the management report, the corporate governance report and the examination of the risk management system. It is also required to examine the consolidated financial statements. Furthermore, it makes a proposal for the election of the auditor of the financial statements, checks and monitors its independence, and approves and controls the provided non-audit services. The chairman of the Audit Committee determines the mutual communication between the auditor and the Audit Committee (C Rule 81a ÖCGK). The committee is obligated to report to the Supervisory Board on its activities.

Members of the Audit Committee as of December 31, 2021:

- Mag. Patrick F. Prügger (chair and finance expert)
- Dipl.-Ing. Herbert Ortner (deputy chair)
- Dr. Heinrich Schaller
- Mag. Thomas Zimpfer
- Max Angermeier
- Robert Hofer

NOMINATION COMMITTEE

The tasks of the Nomination Committee include succession planning, the submission of proposals to the Supervisory Board for filling vacant Management Board mandates and the submission of proposals to the Annual General Meeting for filling vacant Supervisory Board mandates. The committee is also required to give its agreement to appointing and dismissing Group companies' managing directors.

Members of the Nomination Committee as of December 31, 2021:

- Dipl.-Ing. Herbert Ortner (chair)
- Mag. Patrick F. Prügger (deputy chair)
- Dr. Heinrich Schaller
- Dipl.-Ing. Franz Viehböck
- Max Angermeier
- Robert Hofer

STRATEGY COMMITTEE

The Strategy Committee's tasks include discussing the corporate strategy, current strategy implementation controlling, and strategy process controlling.

Members of the Strategy Committee as of December 31, 2021:

- Dipl.-Ing. Herbert Ortner (chair)
- Mag. Thomas Zimpfer (deputy chair)
- Dr. Heinrich Schaller
- Dr. Wolfgang Bernhard
- Max Angermeier
- Robert Hofer

REMUNERATION COMMITTEE

The Remuneration Committee is responsible for drafting and concluding as well as amending and terminating employment agreements with Management Board members. In addition, it is responsible for the preparation and review of the remuneration policy for Management Board and Supervisory Board members and for monitoring the implementation of the remuneration policy for Management Board members. Furthermore, it controls the processing and execution of Management Board contracts and supports the Management Board in preparing the remuneration report.

Members of the Remuneration Committee as of December 31, 2021:

- Dipl.-Ing. Herbert Ortner (chair)
- Mag. Patrick F. Prügger (deputy chair)
- Max Angermeier

COMMITTEE FOR URGENT MATTERS

The Committee for Urgent Matters is authorised to make decisions. The precondition for this is that the decision cannot be postponed until the next ordinary Supervisory Board meeting.

Members of the Committee for Urgent Matters as of December 31, 2021:

- Dipl.-Ing. Herbert Ortner (chair)
- Mag. Patrick F. Prügger (deputy chair)
- Dr. Heinrich Schaller
- Mag. Thomas Zimpfer
- Max Angermeier
- Robert Hofer

(GRI 102-18)

NUMBER AND MAIN FOCUSES OF SUPERVISORY BOARD AND COMMITTEE MEETINGS

The tasks of the Supervisory Board are set out in both the company's articles of incorporation and the law. The Supervisory Board performed its duties at five ordinary meetings. The AMAG Group's current business and financial position was reported on an ongoing basis at these meetings. The standard report on ESG issues has been newly added to reflect the high relevance of sustainable corporate governance. Furthermore, the Supervisory Board dealt with an update on the implementation of the concept approved in 2019 for the further strategic orientation of the company, the integration of AMAG components (formerly Aircraft Philipp) into the AMAG Group, as well as the optimisation of the value chain, the potential impact of the energy transition on AMAG and corresponding measures. Necessary investments for continuous site development were approved. In addition to planning for the 2022 financial year and medium-term planning up to 2026, other focus areas of Supervisory Board meetings included, in particular, the company's personnel development as well as topics relating to research & development and digitalisation. In close coordination with the Management Board, measures to mitigate the negative effects of the ongoing COVID-19 pandemic were also implemented and continuously evaluated. In addition, this year the activities of the Supervisory Board were evaluated with external support for their effectiveness and efficiency, and recommendations for improvement were discussed and derived from this.

Moreover, the Management Board contract of Victor Bregunccі was extended, and the new appointment to the management board of AMAG rolling GmbH was approved.

The Audit Committee held four meetings. At these, the committee focused on the preparation and examination of the company's consolidated and separate financial statements, the audit results for 2020 and the auditor's planning for 2021. Further topics included the requirements of the EU Taxonomy Regulation, the effectiveness and functioning of the internal control system, risk management and specific financial accounting issues.

The Nomination Committee convened for three meetings in 2021 and concerned itself with the contract extension of Victor Bregunccі as Chief Sales Officer, the appointment of a managing director at AMAG rolling GmbH, and the election proposals to the Supervisory Board.

The Remuneration Committee convened for four meetings during the 2021 financial year. The focus was on the target agreements with the members of the Management Board, the preparation of the remuneration report, the extension of Victor Bregunccі's contract, and the inclusion of ESG targets in Management Board contracts with effect from the 2022 financial year on.

The Strategy Committee held one meeting in 2021. The focus was on market-relevant topics and the implementation and update of the AMAG strategy that had been approved.

REMUNERATION REPORT FOR THE MANAGEMENT AND SUPERVISORY BOARDS

With the Austrian Stock Corporation Law Amendment Act 2019 (AktRÄG [BGBl I 2019/63]), the provisions relating to the disclosure of the total remuneration of the individual members of the Management Board and the principles of the remuneration policy no longer apply. This information is now given in detail in the remuneration report to be submitted to the Annual General Meeting for voting (Section 78d AktG).

DIVERSITY CONCEPT AND PROMOTION OF WOMEN

Respect, diversity and inclusion form integral and indispensable elements of the corporate culture of AMAG Austria Metall AG, and are taken into consideration in appointments to all functions. For Supervisory Board appointments proposed to the Shareholders' General Meeting and when nominating Management Board members, attention is paid to a balance in relation to qualifications and diversity, as these contribute significantly to the professionalism and effectiveness of the work of the Supervisory and Management boards. Along with specialist and personal qualifications, this approach also includes aspects such as age structure, origin, gender, education and experience. A diversity concept in written form was approved as of February 7, 2018.

The basis for decisions on the appointment of employee representatives to the Supervisory Board is the results of works council elections at the individual Group companies and the subsequent passing of resolutions – subject to an absolute majority – at the constitutive meeting of the Group Works Council.

The proportion of women employed in Ranshofen stood at 15 % in the 2021 financial year, and the proportion of women in management positions was recorded at 10 %. The proportion of female apprentices totalled 28 %. Univ.-Prof. Dr. Sabine Seidler has been a member of the AMAG Austria Metall AG Supervisory Board since 2012. At present, the Management Board does not include any

women. The non-financial statement in the Group management report presents more information on the topic of equal opportunities and diversity. AMAG is committed to equal opportunities, and rejects any type of discrimination, especially based on age, gender, skin colour, sexual orientation, background, religion or handicap. **(GRI 405-1)**

COMPLIANCE

Compliance forms a central element of good corporate governance and comprises a basic prerequisite for sustainable corporate performance and success. AMAG operates a comprehensive compliance system, which is described in detail in the non-financial statement in the Group management report.

CHANGES AFTER THE REPORTING DATE

No changes occurred to reportable matters between the reporting date and the date when the corporate governance report was prepared.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2021

ASSETS IN EUR THOUSAND	Section I	December 31, 2021	December 31, 2020*
Intangible assets and goodwill	1	**14,394**	13,401
Property, plant and equipment	1	**719,636**	723,099
Equity accounted investments	2	**1,514**	1,891
Other non-current assets and financial assets	3	**37,708**	34,580
Deferred tax assets	4, J10	**23,076**	10,987
Non-current assets		**796,328**	**783,958**
Inventories	5	**396,621**	261,647
Trade receivables	6	**153,687**	113,357
Current tax assets	J10	**26**	801
Other current assets	7	**73,328**	81,839
Contract assets	8	**2,340**	1,788
Cash and cash equivalents	9	**171,431**	304,899
Current assets		**797,432**	**764,331**
TOTAL ASSETS		**1,593,760**	**1,548,289**

EQUITY AND LIABILITIES IN EUR THOUSAND	Section I	December 31, 2021	December 31, 2020*
Share capital	10	**35,264**	35,264
Capital reserves	10	**377,661**	377,661
Retained earnings	10	**216,549**	189,460
Equity attributable to owners of the company		**629,474**	**602,385**
Non-controlling interests	10	**0**	314
Equity		**629,474**	**602,698**
Non-current provisions	11, 12	**105,436**	116,560
Interest-bearing non-current financial liabilities	13	**396,002**	515,216
Other non-current liabilities and grants	14	**73,798**	46,016
Deferred tax liabilities	15, J10	**2**	172
Non-current liabilities		**575,237**	**677,964**
Current provisions	11, 12	**20,570**	12,914
Interest-bearing current financial liabilities	13	**121,628**	104,262
Trade payables	16	**107,860**	59,111
Current tax liabilities	J10	**20,947**	3,728
Other current liabilities and grants	14	**118,044**	87,613
Current liabilities		**389,049**	**267,627**
TOTAL EQUITY AND LIABILITIES		**1,593,760**	**1,548,289**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The following notes to the consolidated financial statements form an essential part of the consolidated balance sheet.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE 2021 FINANCIAL YEAR

ACCORDING TO THE COST OF SALES METHOD IN EUR THOUSAND	Section J	1-12/2021	1-12/2020*
Revenue	**1**	**1,259,406**	**904,167**
Cost of sales	2, 4, 6	**-1,028,425**	-780,101
Gross profit		**230,981**	**124,066**
Other income	3	**8,591**	7,999
Selling and distribution expenses	2, 4, 6	**-68,584**	-54,427
Administrative expenses	2, 4, 6, 7	**-39,290**	-30,741
Research and development expenses	2, 4, 5, 6	**-16,707**	-14,645
Other expenses	2, 4, 6	**-13,323**	-7,605
Share of profit of associates	8	**120**	123
Earnings before interest and taxes (EBIT)		**101,789**	**24,769**
Net interest result		**-10,330**	-8,197
Other financial result		**1,577**	-994
Net financial income (expenses)	**9**	**-8,754**	**-9,191**
Earnings before taxes (EBT)		**93,035**	**15,578**
Income taxes	10	**-28,421**	-4,519
Net income after taxes		**64,614**	**11,059**
thereof attributable to the owners of the company		**65,277**	11,033
thereof attributable to non-controlling interests	I10	**-664**	26
Total number of nil par value shares		**35,264,000**	35,264,000
Earnings per share		**1.85**	0.31
Proposed dividend per nil par value share (in EUR)	**I10**	**1.50**	**0.50**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The following notes to the consolidated financial statements form an essential part of the consolidated statement of profit or loss.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 2021 FINANCIAL YEAR

IN EUR THOUSAND	Section	1-12/2021	1-12/2020*
Net income after taxes		**64,614**	**11,059**
Items that are or may be reclassified to profit or loss			
Currency translation differences		**14,219**	-14,711
Changes in the hedging reserve	L		
Recognised (expenses) and income during the financial year		**-89,210**	6,172
Reclassifications of amounts that have been recognised in the statement of profit or loss		**28,722**	8,396
Deferred taxes relating thereto		**15,604**	-3,299
Currency translation differences		**-1,572**	593
Changes in fair value reserve	L	**-817**	-324
Deferred taxes relating thereto		**204**	81
Items that will never be reclassified to profit or loss			
Changes in revaluation reserve	I10	**68**	193
Deferred taxes relating thereto		**-17**	-48
Remeasurement of defined benefit plans	I11	**16,903**	-10,660
Deferred taxes relating thereto		**-4,428**	2,814
Currency translation differences		**-1,156**	1,664
Share of other comprehensive income of associates	I2	**5**	1
Deferred taxes relating thereto		**-1**	-0
Other comprehensive income for the year, net of income tax		**-21,476**	**-9,129**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**43,137**	**1,930**
thereof attributable to the owners of the company		**43,801**	1,904
thereof attributable to non-controlling interests		**-664**	26

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 2021 FINANCIAL YEAR

IN EUR THOUSAND	Section	1-12/2021	1-12/2020*
Earnings before taxes (EBT)		**93,035**	**15,578**
Net interest result	J9	**10,330**	8,197
Share of profit of associates	J8	**-120**	-123
Depreciation on non-current assets	J6	**84,398**	83,451
Losses/gains from the disposal of non-current assets		**718**	-86
Proceeds from dividends		**502**	0
Other non-cash expenses/income	K	**37**	376
Changes in inventories		**-132,465**	1,672
Changes in trade receivables		**-40,337**	11,175
Changes in trade payables		**43,443**	-11,788
Changes in provisions		**8,138**	-1,615
Changes in derivatives		**-12,535**	17,764
Changes in contract assets		**-552**	322
Changes in other receivables and liabilities		**9,692**	1,053
		64,282	**125,976**
Tax payments		**-11,529**	-13,400
Interest received		**284**	2,576
Interest paid		**-7,445**	-7,865
Cash flow from operating activities		**45,592**	**107,287**

IN EUR THOUSAND	Section	1-12/2021	1-12/2020*
Proceeds from disposals of non-current assets		**755**	561
Payments for investments in property, plant and equipment and intangible assets		**-72,987**	-58,224
Proceeds from grants for investments		**1,265**	1,026
Acquisition of subsidiary, net of cash acquired		**0**	-1,328
Receivable from purchase price refund		**1,200**	-4,200
Cash flow from investing activities		**-69,767**	**-62,165**
Repayments of borrowings	K	**-184,766**	-108,440
Proceeds from borrowings	K	**83,356**	126,673
Dividends paid	I10	**-17,632**	-17,632
Cash flow from financing activities		**-119,042**	**601**
Change in cash and cash equivalents		**-143,217**	**45,723**
Cash and cash equivalents at the beginning of the period	K, I9	**304,899**	267,322
Effect of exchange rate changes on cash and cash equivalents		**9,749**	-8,145
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**K, I9**	**171,431**	**304,899**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 2021 FINANCIAL YEAR

IN EUR THOUSAND	Section	Share capital	Capital reserves	Hedging reserve	Fair value reserve	Revaluation reserve	Revaluation of defined benefit plans	Exchange differences	Retained earnings	Equity attributable to owners of the company	Non-controlling interests	Equity
Balance as of January 1, 2020		**35,264**	**377,661**	**-17,449**	**-43**	**661**	**-36,930**	**47,017**	**213,112**	**619,293**	**0**	**619,293**
Net income after taxes*									11,033	11,033	26	**11,059**
Other comprehensive income for the year net of tax				11,862	-243	145	-6,181	-14,711		-9,129	0	**-9,129**
Total comprehensive income for the year*				**11,862**	**-243**	**145**	**-6,181**	**-14,711**	**11,033**	**1,904**	**26**	**1,930**
Acquisition of a subsidiary with non-controlling interests*	G, I10								-1,180	-1,180	288	**-893**
Dividend distributions	I10								-17,632	-17,632	0	**-17,632**
Balance as of December 31, 2020 = January 1, 2021*		**35,264**	**377,661**	**-5,587**	**-286**	**806**	**-43,112**	**32,306**	**205,332**	**602,385**	**314**	**602,698**
Net income after taxes									65,277	65,277	-664	**64,614**
Other comprehensive income for the year net of tax				-46,456	-613	51	11,322	14,219		-21,476	0	**-21,476**
Total comprehensive income for the year				**-46,456**	**-613**	**51**	**11,322**	**14,219**	**65,277**	**43,801**	**-664**	**43,137**
Change in ownership structure	G, I10								920	920	350	**1,270**
Dividend distributions	I10								-17,632	-17,632		**-17,632**
BALANCE AS OF DECEMBER 31, 2021		**35,264**	**377,661**	**-52,044**	**-898**	**858**	**-31,789**	**46,525**	**253,898**	**629,474**	**0**	**629,474**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

A THE COMPANY

The corporate purpose of AMAG Austria Metall AG and its Group companies (referred to below as the "Group" or "AMAG") comprises the production, processing and distribution of aluminium, and of aluminium wrought and cast products.

As an Austrian holding company, AMAG Austria Metall AG is registered in the companies register at Ried im Innkreis District Court, and its headquarters are located in 5282 Ranshofen, Lamprechtshausener Strasse 61, Austria. The company prepares consolidated financial statements as the ultimate parent company of the AMAG Group. The shares of AMAG Austria Metall AG have been listed on the Prime Market of the Vienna Stock Exchange since April 8, 2011. The companies of the AMAG Group are included in the consolidated financial statements of B&C Holding Österreich GmbH. B&C Privatstiftung, based in Vienna, Austria, is the ultimate parent company of B&C Holding Österreich GmbH, and consequently of the company.

B BASIS OF ACCOUNTING

Conformity with IFRS

The consolidated financial statements for the 2021 financial year were prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of the International Financial Reporting Interpretations Committee (IFRS-IC) as formulated by the International Accounting Standards Board (IASB) and adopted by the European Union, which require mandatory application in 2021, as well as in accordance with Section 245a of the Austrian Commercial Code (UGB).

Functional currency

The consolidated financial statements have been prepared in euros, the functional currency of the Group parent company. The amounts presented in the consolidated financial statements have been commercially rounded to the nearest thousand. The totals of the values and percentages presented may differ as the result of such rounding.

C CURRENCY TRANSLATION

The consolidated financial statements of AMAG Austria Metall AG have been prepared in euros, and the separate financial statements of the consolidated companies have been prepared in their respective functional currencies. When preparing the consolidated financial statements, the assets and liabilities of entities applying a functional currency other than the euro are translated at the European Central Bank reference rate as at the end of the reporting period, and their statements of profit or loss at the annual average of the reference rate. Any resultant differences are recognised under the exchange differences item in other comprehensive income. In the event of the disposal of a foreign operation, the related exchange differences recognised as other comprehensive income are reclassified to profit or loss.

Foreign currency transactions are recognised on the transaction date applying the exchange rate prevailing at that date. Monetary foreign currency positions are measured applying the rates as of the balance sheet date. Translation differences are recognised in profit or loss in the period in which they occur. Non-monetary items measured at historical cost in a foreign currency are translated applying the exchange rate at the transaction date. Non-monetary items measured at fair value in a foreign currency are translated applying the exchange rate at the date when the fair value was measured. In the year under review, translation differences of EUR -2,959 thousand were recognised in profit or loss (previous year: EUR 190 thousand).

The exchange rates of the currencies that are of significance for the AMAG Group have changed as follows:

EXCHANGE RATES PER EUR	Closing rate		Annual average rate	
	December 31, 2021	December 31, 2020	1-12/2021	1-12/2020
U.S. Dollar (USD)	**1.1326**	1.2271	**1.1835**	1.1413
Canadian Dollar (CAD)	**1.4393**	1.5633	**1.4835**	1.5294
Pound Sterling (GBP)	**0.8403**	0.8990	**0.8600**	0.8892
Japanese Yen (JPY)	**130.3800**	126.4900	**129.8575**	121.7754
Taiwan Dollar (TWD)	**31.5030**	34.2880	**33.0230**	33.7115
Chinese Yuan Renminbi (CNY)	**7.1947**	8.0225	**7.6340**	7.8708
Czech Koruna (CZK)	**24.8580**	26.2420	**25.6468**	26.4554
Turkish Lira (TRY)	**15.2335**		**10.4670**	

D CONSOLIDATION PRINCIPLES

Scope of consolidation and consolidation method

Business combinations are accounted for applying the purchase method. The cost of an acquisition is measured as the sum of the consideration transferred, measured at fair value as of the acquisition date, and the non-controlling interest in the acquiree.

Put options granted to non-controlling shareholders for their shares in Group companies are recognised as a liability at fair value. The non-controlling interests continue to be recognised on the balance sheet and receive a share of the annual results. For this reason, no transfer of risks and rewards occurs. The liability is allocated from retained earnings with no effect on income. In accordance with IFRS 9, subsequent measurement does not affect profit or loss. No related options existed as of December 31, 2021.

As of December 31, 2021, the scope of consolidation of the AMAG Group, including AMAG Austria Metall AG as the parent company, includes 25 fully consolidated companies, one joint operation and one equity accounted company. Compared with the previous year, the scope of consolidation has expanded to include AMAG Alüminyum Ticaret Limited Şirketi, Istanbul TR, a company newly founded on June 30, 2021.

The consolidated financial statements include AMAG Austria Metall AG and the entities it controls. Control exists when AMAG Austria Metall AG has exposure, or rights, to variable returns from its involvement with an investee, and has the ability to use its power over the investee to affect the amount of the investor's returns.

Through AMAG Erste Beteiligungsverwaltungs GmbH, AMAG Austria Metall AG wholly owns Austria Metall GmbH, which, in turn, directly or indirectly wholly owns the other consolidated companies. Austria Metall GmbH in turn held a 70 % interest in AMAG components as of December 31, 2020, through AMAG components Deutschland GmbH. In June 2021, a shareholders' agreement led to the acquisition of the remaining interest as of year-end. This agreement resulted in the economic attribution of the remaining 30 % interest in AMAG components to AMAG. For this reason, the acquisition of the non-controlling interests was recognised as of June 30, 2021. A detailed presentation of the consolidated subsidiaries and the interests held in them is presented in the overview on the next page.

With the acquisition of Aircraft Philipp (ACP) in the previous year, the AMAG Group took a major step in the implementation of its strategy. As a consequence, the two wholly owned subsidiaries Aircraft Philipp Übersee and Aircraft Philipp Karlsruhe were renamed "AMAG components Übersee" and "AMAG components Karlsruhe". These two participating interests are referred to as "AMAG components" in this financial report.

The annual financial statements of the subsidiaries that are included in consolidation are based on uniform accounting policies. The reporting date of all these companies was December 31, 2021.

Intragroup transactions are eliminated on consolidation.

Intragroup trade receivables and other assets are offset against intragroup liabilities as part of the consolidation of liabilities. All intragroup expenses and income are eliminated as part of the consolidation of expenses and income, as well as intragroup profit or loss arising from intragroup delivery and service transactions.

Group companies

CORPORATE NAME	Registered office	Shares in %
Fully consolidated companies		
AMAG Austria Metall AG (parent company)	Ranshofen, A	
AMAG Erste Beteiligungsverwaltungs GmbH	Ranshofen, A	100.0
Austria Metall GmbH	Ranshofen, A	100.0
Aluminium Austria Metall Québec Inc.	Montréal, CAN	100.0
AMAG metal GmbH	Ranshofen, A	100.0
AMAG casting GmbH	Ranshofen, A	100.0
AMAG rolling GmbH	Ranshofen, A	100.0
AMAG Asia Pacific Ltd.	Taipei City, TW	100.0
AMAG Benelux B.V.	Delft, NL	100.0
AMAG China Co. Ltd.	Shanghai, CN	100.0
AMAG Deutschland GmbH	Neu-Ulm, G	100.0
AMAG rolling Eastern Europe, s.r.o.	Prague, CZ	100.0
AMAG France S.A.R.L.	Suresnes, F	100.0
AMAG rolling Iberia S.L.	Madrid, E	100.0
AMAG Italia S.R.L.	Milan, IT	100.0
AMAG Alüminyum Ticaret Limited Şirketi	Istanbul, TR	100.0
AMAG UK Ltd.	Great Bookham, Surrey, GB	100.0
AMAG USA Corp.	Upper Saddle River, New Jersey, USA	100.0
AMAG service GmbH	Ranshofen, A	100.0
Metallwerk Furth GmbH	Furth im Wald, G	100.0
coilDNA GmbH	Linz, A	100.0
AMAG components GmbH	Ranshofen, A	100.0
AMAG components Deutschland GmbH	Übersee, G	100.0
AMAG components Übersee GmbH*	Übersee, G	100.0
AMAG components Karlsruhe GmbH*	Karlsruhe, G	100.0
Companies consolidated for its interest		
Aluminerie Alouette Inc. (direct shareholder is the fully consolidated Aluminium Austria Metall Québec Inc.)	Sept-Îles, CAN	20.0
Associated companies		
Speditionsservice Ranshofen Gesellschaft m.b.H.	Ranshofen, A	25.1
Non-consolidated companies		
Ausbildungszentrum Braunau Ges.m.b.H.	Braunau, A	20.0
APK Pensionskasse AG	Vienna, A	2.0
unit-IT Dienstleistungs GmbH & Co KG	Linz, A	12.6
unit-IT Dienstleistungs GmbH	Linz, A	12.6

* The corporate renaming occurred in January 2022, the company had previously operated under the names Aircraft Philipp Übersee GmbH and Aircraft Philipp Karlsruhe GmbH

The interest in AMAG components amounted to 70 % as of the December 31, 2020 balance sheet date. In June 2021, a shareholders' agreement led to the economic attribution of the remaining 30 % interest in AMAG components to AMAG. For this reason, the acquisition of the non-controlling interests was recognised as of June 30, 2021, with the shareholding increasing to 100 %. For further information, please refer to section G Adjustments pursuant to IAS 8. The sales company AMAG Alüminyum Ticaret Limited Şirketi, Istanbul TR, was newly founded as of June 30, 2021. Other shareholdings are unchanged compared with the previous year. **(GRI 102-45)**

Corporate acquisitions

In the previous year, as of October 31, 2020, the AMAG Group acquired a 70 % interest in AMAG components, consisting of AMAG components Übersee GmbH and AMAG components Karlsruhe GmbH. The first-time inclusion within the AMAG Group was realised on November 1, 2020. In the course of plausibility checks carried out in the first half of 2021, errors were identified which had an impact on this corporate acquisition. For more information concerning the effects on the acquisition of the companies, please refer to section G Adjustments pursuant to IAS 8.

No corporate acquisitions or disposals were realised in the 2021 financial year.

Jointly controlled operation

The Group operates an aluminium smelter in Canada as part of a joint arrangement with other companies (Aluminerie Alouette Inc. – hereinafter referred to as "Alouette"). Through this joint arrangement, the parties have joint control of the business operations of the aluminium smelter (see also section F Accounting judgements and estimates). In accordance with the agreement, a 20 % share of the assets, obligations for liabilities, and expenses is attributable to the Group. As a consequence, pursuant to IFRS 11, the Group assumes the proportionate assets, obligations for liabilities, and expenses in this jointly controlled operation. Each party itself is responsible for sales, as Alouette does not realise revenues with third parties.

The consolidated financial statements as of December 31, 2021 comprise the following amounts for the jointly controlled operation of Aluminerie Alouette Inc.:

AMOUNTS OF JOINTLY CONTROLLED OPERATIONS IN EUR THOUSAND	2021	2020
Non-current assets	**149,103**	141,033
Current assets	**27,243**	26,014
Non-current provisions and liabilities	**109,078**	96,969
Current provisions and liabilities	**42,404**	29,378
Expenses	**136,987**	117,023

The significant arrangements relating to the joint operation of the Alouette smelter are set out in a consortium agreement. In the case of significant decisions regarding Alouette's business, resolutions with a minimum 90 % approval are required. With the present ownership structure, or even with a change in structure, the risk exists of conflicting interests among shareholders.

Pursuant to the existing consortium agreement, obligations exist that are of essential importance for current production operations. A failure to satisfy such obligations could result in a loss of co-determination rights, implying liability on the part of AMAG for potential losses. This applies, for example, with respect to the procurement of AMAG's share of the alumina required for production.

Equity accounted investments

The associate's results and assets are included in the consolidated financial statements by applying the equity method. Interests in associates are carried on the balance sheet at cost, adjusted for changes in the share of net assets after the acquisition date as well as for impairment losses. For further details, please refer to section I Notes to consolidated balance sheet item 2.

E ACCOUNTING POLICIES

First-time mandatory or early adoption of standards

In the 2021 financial year, no amended standards were applied for the first time as required, or were adopted early.

Miscellaneous amendments to standards

The following standards revised by the IASB have required mandatory application since January 1, 2021:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform (IBOR) Reform Phase 2
- Amendments to IFRS 4 Insurance Contracts
- Amendment to IFRS 16 COVID-19-Related Rent Concessions beyond June 30, 2021 (application mandatory from April 1)

The above standards lead to no significant changes compared with the previous year, and they have no significant effects on the accounting policies applied within the AMAG Group.

Standards adopted, but not yet applied

Application of the following new, revised or supplemented standards of the IASB and interpretations of the IFRS-IC is voluntary, and these will not be applied early:

STANDARD/ INTERPRETATION	Application mandatory	Endorsement status	Impact on the consolidated financial position of AMAG Group
Amendments to IFRS 3 Business Combination IAS 16 Property, Plant and Equipment IAS 37 Provisions, Contingent Liabilities and Contingent Assets Annual Improvements 2018 - 2020 (IFRS 1, IFRS 9, IAS 41, IFRS 16)	01/01/2022	28/06/2021	currently no impact
IFRS 17 Insurance Contracts	01/01/2023	19/11/2021	currently no impact
Amendments to IAS 1 Classification of liabilities as current or non-current	01/01/2023	-	currently no impact
Amendments to IAS 1 Disclosure on Accounting Policies	01/01/2023	-	currently no impact
Amendments to IAS 8 Definition of Accounting Estimates	01/01/2023	-	currently no impact
Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01/01/2023	-	currently no impact
Amendments to IFRS 17 Initial Applications of IFRS 17 and IFRS 9 - Comparative Information	01/01/2023	-	currently no impact

Going concern

The consolidated financial statements are prepared on a going concern basis. No indications exist that necessitate divergence from this basis. As of December 31, 2021, the Group has equity of EUR 629,472 thousand. Furthermore, the Group reports positive cash flow (see consolidated cash flow statement) as well as a cash and cash equivalents position of EUR 171,431 thousand.

Significant accounting policies

The COVID-19 pandemic did not lead to any effects on the accounting policies other than the matters noted below.

Accounting and valuation within the Group are based on uniform criteria. For the sake of clarity, items have been summarised on the consolidated balance sheet, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows, and are listed and explained separately in the notes to the financial statements in accordance with the principle of materiality.

The valuation principles applied in the preparation of the consolidated financial statements are based on historical cost – with the exception of securities and derivative financial instruments, which are measured at fair value.

Non-current and current assets and liabilities

Pursuant to IAS 1, the consolidated balance sheet is structured on a term basis. Assets and liabilities with terms of up to one year are classified as current, and those with terms of over one year as non-current.

The terms are always determined with reference to the date at the end of the reporting period.

F ACCOUNTING JUDGEMENTS AND ESTIMATES

Accounting judgements

In the case of the interest held in the Canadian smelter Aluminerie Alouette Inc., Sept-Îles, a discretionary assessment was made as to whether this is to be classified as a jointly controlled operation (IFRS 11.15). Within the AMAG Group, the classification occurred mainly for the following reasons:

- The agreement between the various partners regulates the joint control of Alouette's operations.
- The partners own pro rata shares of all of the company's assets.
- Alouette's sales to third parties are very minor and the parties are obligated to purchase the entire production on a pro rata basis. The partners are also obligated to meet cash calls on a pro rata basis in order to fulfil Alouette's financing and liquidity requirements.
- For this reason, the partners are the primary source of cash flows, and are consequently obligated to cover any debts that Alouette might incur.

Please refer in this context to section D Consolidation principles.

Cash and cash equivalents include money market funds in the amount of EUR 96,018 thousand (previous year: EUR 142,111 thousand). This classification was made for the following reasons: The invested funds can be accessed daily without further restrictions; the money market funds have sufficient liquidity to ensure this. The historical performance shows that the value of the funds are only subject to insignificant fluctuations in value. The funds invest exclusively in high-quality and mainly short-term investments. Furthermore, these investments do not serve as financial investments, but instead serve to meet current payment obligations.

Assumptions and estimation uncertainties

When preparing the consolidated financial statements, it is to some extent necessary to make estimates and assumptions that influence the reported assets, provisions and liabilities, the disclosures of other commitments as at the end of the reporting period, and the presentation of income and expenses for the reporting period. Actual future results may differ from the estimates, and this may have a significant impact on the consolidated financial statements.

The Management Board of AMAG Austria Metall AG believes that it has made reasonable assumptions, such that the consolidated financial statements in all material respects give a true and fair view of the Group's financial position and performance.

The estimates and underlying assumptions are subject to considerable uncertainty, and their accuracy is scrutinised constantly as a consequence. Changes in the estimates are recognised in the periods in which they are made.

The following notes to the financial statements include information about assumptions and uncertainties relating to estimates which can generate a considerable risk that necessitates a significant adjustment during the following financial year:

COVID-19 pandemic

Significant estimation uncertainties arose in the context of the COVID-19 pandemic. This had an impact on individual estimates, as summarised below:

- Asset impairment tests:
  Due to the COVID-19 pandemic and associated uncertainties regarding the occurrence of the budgeted results or the expected economic recovery, indicators of potential impairment (triggering events) were already identified in the first half of 2020 for intangible assets and for tangible assets, as well as for IFRS 16 right-of-use assets. This did not lead to the recognition of an impairment loss. Primarily due to the present earnings situation, no triggering events were identified in the 2021 financial year under review. Please refer to the explanatory notes in section I Notes to consolidated balance sheet item 1.

- Credit risks relating to trade receivables
  The assessment of future developments as part of estimating the need for write-downs on trade receivables was evaluated in light of the current COVID-19 pandemic. Firstly, this already led in the previous year to a changed, higher estimate of the probabilities of default as well as a higher risk classification of individual countries. Premiums were calculated on the historical default rates, staggered according to overdue status. Furthermore, according to our assessment, a premium was included in the calculation for particularly affected/critical countries. The risk categories remained unchanged. As of December 31, 2021, EUR 1,436 thousand (previous year: EUR 928 thousand) of loss allowances for receivables were recognised. Details on the measurement of the valuation adjustments can be found in section L Financial instruments, in the section Credit risks.

- Probability of occurrence of transactions (hedge accounting)
  In the case of cash flow hedges, hedge accounting can be applied if the underlying transaction exhibits a highly probability of occurring. For existing hedges, this assessment is evaluated quarterly. In the course of this, the occurrence of individual foreign currency transactions was no longer expected, as the corresponding calls by customers were reduced. For this reason, the hedging instrument relating to these foreign currency risks was closed. This led to a reversal of the cash flow hedge reserve of EUR 241 thousand (previous year: EUR -4,014 thousand) through profit or loss, and subsequent closing with opposing derivatives (undesignated).

- Financial liabilities
  No deferrals or suspensions of financial liabilities occurred. In this connection, please refer to section L Financial instruments, in the section Liquidity risks.

Information on the economic impact of the COVID-19-pandemic on the AMAG Group and its key financial figures is contained in the management report.

Useful lives of intangible assets and property, plant and equipment

The estimated useful lives of depreciable property, plant and equipment, and intangible assets represent the estimated period over which the assets are expected to be utilised. With regard to the change due to changes in the useful lives of intangible assets and property, plant and equipment, please refer to section I Notes to consolidated balance sheet item 1.

Asset impairment tests

Concerning the extent to which assets retain their value at the level of a cash-generating unit, a continuous review is conducted as to whether indications exist of impairment that would necessitate an impairment test. In the case of intangible assets that cannot be utilised yet and intangible assets with an indefinite useful life, impairment testing is also conducted at least annually even if related indications do not exist. In this connection, please refer to section I Notes to consolidated balance sheet item 1.

Financial asset impairment tests

When valuing financial assets, assumptions are to be made especially concerning the likelihood of default and the assessment of the impairment of receivables. This occurred based on analyses of the past, taking expected future developments into consideration. For more information see section L Financial instruments, in the section Credit risks.

Leases

In the course of accounting according to IFRS 16 "Leases", assumptions were made in relation to the contract term and the discount rate applied. The lease term that is determined includes the non-cancellable term of the lease agreement. Cancellation and renewal options are included in the analysis if the exercise is estimated with sufficient certainty and taking into account all facts and circumstances that constitute an economic incentive to exercise. For leases with an indefinite term, the useful life is determined in the same manner as the expected useful life for assets capitalised as non-current assets. A risk-free interest rate relevant to the term, taking into account the respective currency and the company's credit rating, was applied as the discount rate for the valuation of leasing liabilities.

Receivables, other liabilities, and revenue

As part of applying IFRS 15, estimates and assumptions based on analyses of past data and taking into consideration expected future developments were made in relation to variable payments (contractually agreed bonuses and graduated prices) as well as in the deferral of expected transportation costs deriving from customer contracts with the CIF, CFR or CIP supply term. Further explanations can be found in section I Notes to consolidated balance sheet item 6, and J Notes to consolidated statement of profit or loss item 1.

Cash flow hedges

For the accounting treatment of cash flow hedge relationships, assumptions are to be made especially concerning the likelihood of the occurrence of future revenues. Here, uncertainties exist particularly in relation to the expected scope of future revenues and the assumption that expected cash flows will be received (probability of default).

Embedded derivative

For the accounting of the embedded derivative, estimates also had to be made, including in relation to the expected term. Based on information and negotiations relating to a new electricity contract and an extension of the contract to date beginning in March 2021, it was assumed that a change in the current electricity contract is not expected. This led to a five-year extension of the estimated term starting from 2024 until the end of the contractual term on December 31, 2029. This resulted in an increase of the derivative and of the grant by USD 33,395 thousand (EUR 29,486 thousand) without effect on profit or loss.

Personnel provisions

When measuring provisions for severance payments, pensions, medical care benefits and service anniversary bonuses, assumptions are to be made relating to financial parameters (discount rate, salary increases) and demographic parameters (staff turnover rate, calculation basis). The discount rate is determined on the basis of market yields achieved by top grade fixed-interest corporate bonds on the balance sheet date. In Austria, the data tables produced by MERCER Deutschland serve as the basis, and in Canada, Fiera Capital's "CIA (Canadian Institute of Actuaries) Method Accounting Discount Rate Curve". Derived from past years' trends, salary growth comprises expected future increases that are estimated annually depending on inflation and career trends (except pensions), among other factors. As of December 31, 2021, provisions of EUR 96,627 thousand were recognised for severance payments, pensions, medical care benefits and service anniversary bonuses (previous year: EUR 108,998 thousand). Further details can be found in section I Notes to consolidated balance sheet item 11.

Deferred tax

To measure deferred tax assets on loss carryforwards, assumptions relating to future taxable income and the timing of realisation are to be made. Such assets are recognised in relation to non-forfeitable tax loss carryforwards under the assumption that sufficient taxable income will be generated in the future to realise the tax loss carryforwards. For this, budgeted operating business results and earnings effects arising from the reversal of taxable temporary differences are taken into consideration. As the future trend of business is uncertain, and lies partially outside the Group's control, assumptions that are to be made in connection with the recognition of deferred tax assets are connected with uncertainties.

AMAG AG and AMAG components have non-forfeitable loss carryforwards. Deferred tax assets relating to non-forfeitable loss carryforwards are measured on the basis of medium-term planning for the coming five years, which is reconciled with the tax planning account. Based on the current tax planning for AMAG AG and AMAG components, deferred tax assets have been recognised for loss carryforwards for the corresponding period for which positive tax results are expected.

Further details can be found in section I Notes to consolidated balance sheet items 4 and 15.

Non-current provisions

Non-current provisions for other risks are formed if an obligation to third parties exists, an outflow of resources is probable, and the prospective obligation can be estimated reliably. The amount recognised as a provision comprises the best possible estimate of the obligation on the balance sheet date. Provisions with an original term of more than one year are recognised with the satisfaction amount discounted to the reporting date. Provisions are reviewed regularly, and adjusted to reflect new information or a change in circumstances. Further details can be found in section I Notes to consolidated balance sheet item 12.

Contingent liabilities

Contingent liabilities as per IFRS 3 deriving from previous years for environmental clean-up costs for potential hazardous sites exist in an amount of EUR 5,700 thousand (previous year: EUR 5,700 thousand). The recognised values were retained pursuant to IFRS 3.56, as neither the conditions for derecognition nor the criteria for a provision pursuant to IAS 37 were met as of the balance sheet date.

The AMAG Group has the obligation to purify leachate from a closed and sealed landfill to predetermined consensus values, and to manage landfills. The obligations were calculated at the present value of the estimated operating costs. The congruent maturity interest rate deriving from the European government yield curve was applied as the interest rate. The carrying amount of the non-current portion of the provision stands at EUR 4,248 thousand (previous year: EUR 4,418 thousand).

Further details can be found in section M Contingent liabilities and guarantees.

G ADJUSTMENTS PURSUANT TO IAS 8

As of October 31, 2020, the AMAG Group acquired a 70 % interest in AMAG components, consisting of AMAG components Übersee GmbH and AMAG components Karlsruhe GmbH. The first-time inclusion in the AMAG Group was realised on November 1, 2020.

The company has fifty years of experience in the manufacture of ready-to-install metal parts for the aircraft and aerospace industry. Its core competence lies in the mechanical processing of aluminium and titanium. Its production sites are located in Übersee on lake Chiemsee and Karlsruhe, Germany.

By acquiring a majority interest in the company, the AMAG Group extends its value creation in the direction of mechanical processing (milling and boring), and the production of special components made of aluminium and titanium. In combination with the AMAG Group's proven expertise in the rolling, casting and recycling areas, a particularly sustainable value chain is created. This includes resource-saving closed loop recycling of plate cuttings and chips produced during the milling process, an improved buy-to-fly ratio and optimised logistics along the entire value chain. Overall, this leads to a significantly improved carbon footprint.

In the course of plausibility checks carried out in the first half of 2021, errors were identified that had an impact on strategic corporate planning for the years 2021-2025. This led to a claim under a guarantee clause of the purchase agreement and thereby to a retrospective purchase price adjustment in the form of a reduction of EUR 4.2 million.

For this part of the purchase price already paid at the end of 2020, a receivable relating to a repayment from the seller was recognised retrospectively in other current assets. In the financial year under review, this receivable was settled by a repayment of EUR 1,200 thousand and the transfer of a loan receivable against AMAG components in the amount of EUR 3,000 thousand.

In these consolidated financial statements, the consolidated financial statements as of December 31, 2020 have been corrected retrospectively in accordance with IAS 8 due to these circumstances. A retrospectively corrected purchase price allocation as well as the retrospective adjustment of property, plant and equipment in the amount of EUR 280 thousand and deferred taxes in the amount of EUR 1,700 thousand were applied. The non-controlling interests also had to be adjusted accordingly.

The purchase price allocation on the basis of the fair values that have been determined changed as follows as of the acquisition date:

ASSETS ACQUIRED AND LIABILITIES ASSUMED IN EUR THOUSAND		October 31, 2020	
	Fair value before restatement	Fair value restated	Change
Non-current assets	24,121	**22,232**	-1,889
Current assets	21,761	**21,761**	0
Non-current liabilities	20,162	**20,253**	91
Current liabilities	22,781	**22,781**	0
NET ASSETS	**2,939**	**959**	**-1,980**

CONSIDERATION TRANSFERRED IN EUR THOUSAND		October 31, 2020	
	Before restatement	Restated	Change
Purchase price	9,946	**5,746**	-4,200
Proportionate net assets of non-controlling interests	882	**288**	-594
SUBTOTAL	**10,828**	**6,034**	**-4,794**
Net assets	-2,939	**-959**	1,980
GOODWILL	**7,889**	**5,075**	**-2,814**

The goodwill arises mainly from the acquired expertise of employees in the mechanical processing of aluminium and titanium parts for the aircraft industry, and the synergies expected from the extension of the value chain, the closing of material cycles and the improvement of the carbon footprint.

The goodwill recognised is not expected to be deductible for tax purposes.

The goodwill impairment test conducted as of December 31, 2020 was performed again, taking into account the change in strategic corporate planning. This led to an additional impairment loss of EUR 560 thousand to be recognised retrospectively in 2020.

Furthermore, a remeasurement of the liability from the seller's put option from EUR 3,620 thousand to EUR 1,180 thousand in relation to the remaining 30 % interest had to be made, as this valuation was also based on the corrected planning.

Adjustments were applied to the following balance sheet items:

BALANCE SHEET ITEMS IN EUR THOUSAND		December 31, 2020	
	Before restatement	Restated	Change
Intangible assets and goodwill	16,775	**13,401**	-3,374
Property, plant and equipment	723,379	**723,099**	-280
Deferred tax assets	12,530	**10,987**	-1,543
Other current assets	77,639	**81,839**	4,200
TOTAL ASSETS	**1,549,287**	**1,548,289**	**-997**
Retained earnings	187,580	**189,460**	1,880
Equity attributable to owners of the company	**600,505**	**602,385**	**1,880**
Non-controlling interests	908	**314**	-594
Equity	**601,412**	**602,698**	**1,286**
Interest-bearing non-current financial liabilities	517,656	**515,216**	-2,440
Deferred tax liabilities	16	**172**	157
TOTAL EQUITY AND LIABILITIES	**1,549,287**	**1,548,289**	**-997**

The statement of profit or loss was adjusted as follows:

STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND		2020	
	Before restatement	Restated	Change
Depreciation and amortisation	-82,891	**-83,451**	-560
Earnings before taxes (EBT)	16,138	**15,578**	-560
Net income after taxes	11,619	**11,059**	-560
Earnings per share	0.33	**0.31**	-0.02

In the consolidated statement of profit or loss, depreciation, amortisation and impairment losses are reported under "Other expenses".

In the statement of cash flows, the retrospective corrections lead solely to a shift within cash flow from operating activities and cash flow from investing activities:

STATEMENT OF CASH FLOWS IN EUR THOUSAND		2020	
	Before restatement	Restated	Change
Earnings before taxes (EBT)	16,138	**15,578**	-560
Depreciation on non-current assets	82,891	**83,451**	560
Cash flow from operating activities	**107,287**	**107,287**	**0**
Acquisition of subsidiary, net of cash acquired	-5,528	**-1,328**	4,200
Receivable from purchase price refund	0	**-4,200**	-4,200
Cash flow from investing activities	**-62,165**	**-62,165**	**0**

Impact in the 2021 financial year:

The non-controlling shareholder has stepped down from the management of AMAG components. As a consequence, both the requirements for the put option and for the retention premium for future work performance accounted for in accordance with IAS 19 have ceased to apply. These were to be derecognised as transactions between owners with no effect on profit or loss. In addition, the transfer of the 30 % interest in AMAG components to AMAG at the end of 2021 for one euro was agreed. AMAG is already to be regarded as the economic owner of the entirety of AMAG components from the time when the agreement became valid, and the previously reported non-controlling interests in the amount of EUR 350 thousand are consequently to be attributed to AMAG. For this reason, the non-controlling interests were derecognised without effect on profit or loss as of the date of the agreement.

H SEGMENT REPORTING

Business divisions

Reporting by business divisions (the Metal, Casting, Rolling and Service divisions) conforms to the Group's organisational and management structure, and this serves as the basis for segment information.

Production of primary aluminium, management of metal production streams, hedging the aluminium price risk exposure of the operating subsidiaries of AMAG, and marketing primary aluminium fall under the Metal Division's remit.

The Casting Division is responsible for the production of high-quality cast aluminium alloys from aluminium scrap for use by various sectors, including the automotive sector and supply industry, as well as the engineering and electrical engineering sectors.

The Rolling Division comprises the manufacturing of high-quality aluminium rolled products such as sheets, coils and plates. These products are deployed in the automotive and aircraft sectors, as well as in sports, engineering, transportation and industry. The division also specialises in brightening qualities, customised cathode elements for zinc smelters, brazing materials, special tread plates and high-strength alloys. The portfolio is rounded out by foil stock materials for the packaging industry. In addition, AMAG components, which was acquired in the previous year, is allocated to the Rolling Division. This company manufactures high-quality detail parts for aircraft by machining and cutting plates, forgings and castings.

The Service Division provides all centralised services to the operating divisions of AMAG at the Ranshofen facility, and overall management functions for the AMAG Group. Its tasks especially also include the entire building and space management at the Ranshofen site. The building values and depreciation for the production-relevant buildings are allocated to the Casting and Rolling divisions. Energy supply, waste disposal, general site services and materials management are also included in the Service Division. The revenue reported in the Service Division relates entirely to the provision of services.

No business divisions were combined in order to create the four reportable divisions described above. The accounting principles applied to prepare the segment information for AMAG Austria Metall AG are based on the IFRSs applied in the preparation of the consolidated financial statements.

AMAG Austria Metall AG evaluates divisional performance on the basis of shipments and earnings before interest, tax, depreciation and amortisation (EBITDA), as well as earnings before interest and tax (EBIT), among other indicators.

Interdivisional sales and purchases of materials and services are calculated based on market prices. Segment assets and liabilities comprise all assets and liabilities recognised based on the financial statements that are prepared by the operating divisions and included in the consolidated financial statements. Divisional investment comprises additions to intangible assets, and to property, plant and equipment.

Interdivisional transactions

The revenue, expenses and income of each division include elimination of intragroup balances between business divisions and geographical segments. Interdivisional transfer pricing is based on comparable, standard market terms.

BUSINESS DIVISIONS 2021 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Shipments in tonnes	**124,940**	**89,569**	**227,795**		**-27,719**	**414,586**
thereof internal*	**0**	**27,719**	**-0**		**-27,719**	**0**
Revenue	**941,139**	**128,420**	**977,395**	**86,305**	**-873,854**	**1,259,406**
External	285,843	118,247	848,773	6,543	0	**1,259,406**
Internal	655,296	10,173	128,622	79,762	-873,854	**0**
Gross profit	**92,839**	**13,906**	**120,770**	**14,989**	**-11,522**	**230,981**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**103,886**	**10,842**	**80,213**	**-8,755**	**0**	**186,187**
Depreciation and amortisation	23,004	2,228	53,964	5,202	0	**84,398**
Earnings before interest and taxes (EBIT)	**80,883**	**8,614**	**26,248**	**-13,956**	**0**	**101,789**
Interest income	2,351	0	36	5,648	-7,751	**284**
Interest expenses	-2,798	-52	-8,906	-6,610	7,751	**-10,614**
Net interest result	**-447**	**-52**	**-8,870**	**-961**	**0**	**-10,330**
Other financial result	-63	0	-0	86,535	-84,895	**1,577**
Net financial income (expenses)	**-510**	**-52**	**-8,870**	**85,574**	**-84,895**	**-8,754**
Earnings before taxes (EBT)	**80,372**	**8,562**	**17,378**	**71,617**	**-84,895**	**93,035**
Income taxes	-20,516	-2,145	-4,926	-835	0	**-28,421**
Net income after taxes	**59,856**	**6,417**	**12,452**	**70,783**	**-84,895**	**64,614**
Balance sheet						
Division assets	514,599	43,594	814,010	856,860	-635,303	**1,593,760**
Division liabilities	341,070	23,041	662,227	432,615	-494,667	**964,287**
Other disclosures						
Investments (excluding financial investments)	16,040	2,036	49,253	7,525	0	**74,854**
Employees (FTE)	185	117	1,667	179	0	**2,148**

* Internal volumes include material supplies from Alouette in the Metal Division, and reprocessing volumes in the Casting Division.

BUSINESS DIVISIONS 2020 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Shipments in tonnes	**124,191**	**81,736**	**198,922**		**-26,604**	**378,245**
thereof internal*	**0**	**26,604**	**0**		**-26,604**	**0**
Revenue	**590,633**	**88,332**	**671,407**	**62,844**	**-509,050**	**904,167**
External	197,605	78,396	622,405	5,761	0	**904,167**
Internal	393,028	9,936	49,002	57,083	-509,050	**0**
Gross profit	**38,997**	**8,950**	**70,299**	**15,244**	**-9,424**	**124,066**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**51,273**	**6,289**	**52,937**	**-2,279**	**0**	**108,220**
Depreciation and amortisation**	23,645	2,373	52,156	5,276	0	**83,451**
Earnings before interest and taxes (EBIT)**	**27,628**	**3,916**	**781**	**-7,555**	**0**	**24,769**
Interest income	3,345	0	1,371	6,538	-8,677	**2,576**
Interest expenses	-3,919	-100	-7,700	-7,732	8,677	**-10,773**
Net interest result	**-574**	**-100**	**-6,329**	**-1,194**	**0**	**-8,197**
Other financial result	-378	0	172	13,212	-14,000	**-994**
Net financial income (expenses)	**-952**	**-100**	**-6,157**	**12,018**	**-14,000**	**-9,191**
Earnings before taxes (EBT)**	**26,676**	**3,816**	**-5,377**	**4,463**	**-14,000**	**15,578**
Income taxes	-7,552	-935	-5,316	9,284	0	**-4,519**
Net income after taxes**	**19,124**	**2,881**	**-10,693**	**13,747**	**-14,000**	**11,059**
Balance sheet						
Division assets**	428,970	42,934	755,295	869,011	-547,921	**1,548,289**
Division liabilities**	226,844	25,778	603,213	499,041	-409,285	**945,591**
Other disclosures						
Investments (excluding financial investments)	11,326	1,598	36,857	4,222	0	**54,002**
Employees (FTE)	179	121	1,516	174	0	**1,991**

* Internal volumes include material supplies from Alouette in the Metal Division, and reprocessing volumes in the Casting Division.

** A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

GEOGRAPHICAL DIVISIONS 2021 IN EUR THOUSAND	Production site Austria/Germany	Production site Canada	Total	Consolidation	Group
Revenue					
Austria revenue*	175,013	282,098	457,111	-282,098	**175,013**
Europe revenue	640,520	0	640,520	0	**640,520**
Other markets	449,882	-6,009	443,872	0	**443,872**
	1,265,415	**276,089**	**1,541,503**	**-282,098**	**1,259,406**
Earnings					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	87,847	99,638	187,485	-1,298	**186,187**
Earnings before interest and taxes (EBIT)	26,446	76,641	103,087	-1,298	**101,789**
Balance sheet					
Non-current division assets	626,397	107,633	734,031	0	**734,031**

GEOGRAPHICAL DIVISIONS 2020 IN EUR THOUSAND	Production site Austria/Germany	Production site Canada	Total	Consolidation	Group
Revenue					
Austria revenue*	149,822	197,808	347,630	-197,808	**149,822**
Europe revenue	470,247	0	470,247	0	**470,247**
Other markets	291,184	-7,086	284,098	0	**284,098**
	911,253	**190,722**	**1,101,975**	**-197,808**	**904,167**
Earnings					
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	68,048	41,321	109,369	-1,149	**108,220**
Earnings before interest and taxes (EBIT)**	8,225	17,693	25,918	-1,149	**24,769**
Balance sheet					
Non-current division assets	630,336	106,164	736,500	0	**736,500**

* Aluminium production at the Alouette smelter in Canada is sold on a pro rata basis to the Austrian metal management subsidiary, which in turn sells the share of production of AMAG.

** A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The revenues were allocated to the respective sales markets based on the customers' headquarters.

I NOTES TO THE CONSOLIDATED BALANCE SHEET

01) NON-CURRENT ASSETS

Consolidated statement of changes in non-current assets

CHANGES IN HISTORICAL COST IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2021	21,784	306,175	1,007,436	62,908	30,859	1,407,379
Exchange differences	345	3,550	24,007	261	555	28,374
Additions	2,641	4,464	25,144	5,877	36,727	72,213
Disposals	-33	-685	-11,886	-3,179	-16	-15,767
Reclassifications	12	2,124	24,075	1,176	-27,387	-12
AS OF DEC. 31, 2021	**24,750**	**315,627**	**1,068,777**	**67,044**	**40,738**	**1,492,186**

CHANGES IN HISTORICAL COST IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2020	15,153	283,648	1,001,927	57,193	27,672	1,370,440
Change in scope of consolidation*	5,281	16,144	4,989	1,751	287	23,171
Exchange differences	-382	-3,878	-26,154	-290	-399	-30,722
Additions	1,650	5,940	19,581	5,148	21,684	52,353
Disposals	-19	-486	-4,827	-2,448	-0	-7,762
Reclassifications	101	4,808	11,921	1,554	-18,384	-101
AS OF DEC. 31, 2020	**21,784**	**306,175**	**1,007,436**	**62,908**	**30,859**	**1,407,379**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

CHANGES IN DEPRECIATION AND AMORTISATION IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2021	8,384	110,505	530,923	42,572	280	684,279
Exchange differences	132	2,497	17,337	212	0	20,047
Additions	1,854	9,309	66,782	6,453	0	82,544
Disposals	-14	-350	-10,987	-2,984	0	-14,320
AS OF DEC. 31, 2021	**10,356**	**121,961**	**604,055**	**46,253**	**280**	**772,550**

CHANGES IN DEPRECIATION AND AMORTISATION IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
As of Jan. 1, 2020	6,295	104,474	487,220	38,447	0	630,141
Change in scope of consolidation*	31	242	397	208	280	1,127
Exchange differences	-125	-2,668	-18,078	-212	0	-20,958
Additions*	2,197	8,828	65,954	6,471	0	81,248
Disposals	-15	-371	-4,570	-2,342	0	-7,283
AS OF DEC. 31, 2020	**8,384**	**110,505**	**530,923**	**42,572**	**280**	**684,279**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

CARRYING AMOUNTS IN EUR THOUSAND	Intangible assets and goodwill	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Advance payments made and assets under construction	Property, plant and equipment
Historical cost Dec. 31, 2021	24,750	315,627	1,068,777	67,044	40,738	1,492,186
Accumulated amort./depr. Dec. 31, 2021	10,356	121,961	604,055	46,253	280	772,550
Book values Dec. 31, 2021	14,394	193,666	464,722	20,791	40,458	719,636
Book values Dec. 31, 2020*	13,401	195,670	476,513	20,336	30,579	723,099

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Intangible assets and goodwill

Purchased intangible assets are measured at cost. Intangible assets of finite useful life are amortised over their economic useful life. Amortisation is applied straight-line over periods from 2-25 years. Goodwill and assets with indefinite useful lives are not amortised but are instead tested annually for impairment. Besides goodwill, no intangible assets with indefinite useful lives exist at present.

The intangible assets comprise purchased industrial property rights, franchises, trademarks and other rights, licences, patents and software.

Goodwill arising on business combinations is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Group's cash-generating units that are expected to benefit from the combination.

Impairment test:
The AMAG Group reports goodwill from the AMAG components business combination totalling EUR 4,515 thousand. Goodwill is tested for impairment at the level of the AMAG components cash-generating unit.

A current strategic corporate plan for the years 2022 to 2026 was applied as the basis for the IAS 36 impairment test. These plans reflect current economic conditions, the economic environment, as well as the latest estimates of future market trends, including estimates regarding recovery from the COVID-19 pandemic.

The resultant impairment test for estimating value-in-use applies the discounted cash flow method, whereby the recoverable amount depends to a large extent on the discount rate applied (WACC), as well as on the cash inflows expected and budgeted in the medium-term planning (detailed planning period), and in the perpetual growth rate.

The estimate of the value-in-use was determined applying a pre-tax discount rate of 6.99 %.

A change in the interest rate of 0.1 % would have led to a change in goodwill of around EUR -700 thousand. A change in the planned EBIT of -1 % in each case leads to a reduction in value of approximately EUR -400 thousand.

The impairment test for assets not yet depreciable as well as goodwill did not result in any need for impairment losses. Due to the change in the strategic corporate planning of AMAG components, the goodwill impairment test originally carried out as of December 31, 2020 was performed again. This led to an additional impairment loss of EUR 560 thousand to be recognised retrospectively in 2020. See also the section G Adjustments pursuant to IAS 8.

Property, plant and equipment

Property, plant and equipment is capitalised at cost, less any accumulated depreciation and impairment losses, if subject to wear and tear.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, as well as any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is applied straight-line over the asset's expected economic life:

USEFUL LIVES IN THE GROUP	
Office, factory and other buildings	7-50 years
Plant and machinery	2-50 years
Other fixtures and fittings, tools and equipment	2-20 years

The expected useful life and depreciation method applied are reviewed periodically to assess whether they reflect the economic benefits embodied by the assets. For further information, please refer to section F Accounting judgements and estimates.

The costs of production for property, plant and equipment include direct costs and production-related production overheads. Administrative expenses are not capitalised.

Cost comprises the cost to replace a part of an asset if the related recognition criteria are met. Otherwise, replacement and maintenance equipment is recognised under inventories.

If large parts of items of property, plant and equipment must be replaced at regular intervals, such parts are recognised as separate assets with their own useful lives and depreciation methods. When performing major inspections, the cost is recognised accordingly in the carrying amount of the item of property, plant and equipment as a replacement, provided that the recognition criteria are met. The present value of the expected cost of post-use disposal of an asset is included in the cost of the asset if the criteria for recognition of a provision are met. See also section 12.

Expenditure arising after the commissioning of non-current assets, such as repair, maintenance and reconditioning costs, is expensed, as a matter of principle.

If it is likely that the subsequent costs will lead to additional economic benefits from the use of the asset, such costs are capitalised.

Leasing rights-of-use

Since January 1, 2019, the Group as lessee generally recognises assets for the rights to use the leased assets and liabilities for the payment obligations entered into for all leases on the balance sheet at present values.

Right-of-use assets are capitalised at the inception of the lease at the amount of the corresponding lease liability, adjusted for any initial direct costs and lease payments made to the lessor on or before the date of provision, less any lease incentives received from the lessor. Lease liabilities are measured at the marginal borrowing rate unless the interest rate on which the lease is based can be readily determined. Subsequent measurement is at amortised cost. Rights-of-use are amortised straight-line over the contractual relationship's term. The lease term that is determined includes the non-cancellable term of the lease agreement. Cancellation and renewal options are included in the analysis if the exercise is estimated with sufficient certainty and taking into account all facts and circumstances that constitute an economic incentive to exercise.

The following table shows the right-of-use of assets that are recognised under property, plant and equipment as part of a lease:

RIGHT-OF-USE ASSETS IN EUR THOUSAND	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment
Historical costs Dec. 31, 2021	7,307	2,378	2,452	12,137
thereof additions	766	242	182	1,190
Accumulated depr./amort.	1,978	392	2,037	4,407
Book values Dec. 31, 2021	**5,329**	**1,986**	**415**	**7,730**
Book values Dec. 31, 2020	5,652	2,838	530	9,020

The annual amortisation of right-of-use assets is as follows:

DEPRECIATION OF RIGHT-OF-USE ASSETS IN EUR THOUSAND	2021	2020
Land and buildings	895	655
Plant and machinery	397	88
Other fixtures and fittings, tools and equipment	280	255
	1,572	997

The following presentation arises for the statement of profit or loss:

LEASES IN THE THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2021	2020
Expenses short-term leases	521	375
Expenses low-value leases	742	480
Other lease expenses (additional costs)	36	32
Expenses for variable lease payments	68	
	1,366	887

The AMAG Group is a lessee particularly in relation to the leasing of office and warehouse space, a plot of land and production buildings, production machinery, transport containers, forklifts, tanks, and the leasing of vehicles.

Information on the corresponding lease liabilities is provided under section 13.

For leased assets of minor value and for short-term leases (less than twelve months), use is made of facilitated application, with payments being expensed straight-line through the statement of profit or loss (mainly administrative expenses).

Leased assets with a new purchase value not exceeding EUR 5 thousand are categorised as low-value leased assets. This applies particularly to the asset classes telephones, photocopiers, fax machines and printers.

The accounting regulations of IFRS 16 are not applied to leases of intangible assets.

Leasing and non-leasing components are shown separately. When determining the contractual terms, all facts and circumstances are taken into consideration that provide an economic incentive to exercise renewal options or not to exercise termination options. Changes in the term of the contract arising from the exercise or non-exercise of such options are only taken into consideration in the contract term if they are reasonably certain.

Residual value guarantees as well as limitations and assurances related to leases are not relevant. Additional payments because of renewal or cancellation options are not expected.

The planned variable lease payments relating to the photovoltaic system amount to EUR 1,641 thousand over the next five years.

The possible future cash outflows from unrecognised renewal options in the next few years relate to options on land and building leases:

LEASE PAYMENTS OF RENEWAL OPTIONS NOT EXERCISED IN EUR THOUSAND	2021	2020
up to 5 years	0	0
more than 5 years	6,020	6,020

As in the previous year, the exercise of the renewal options is not reasonably certain as of December 31, 2021.

The factors of currency, economic environment and term as well as creditworthiness are included in the calculation of the marginal borrowing rate.

Advance payments made and assets under construction

Items of property, plant and equipment that are not yet operational are recognised as assets under construction and measured at cost. Depreciation does not commence until the assets concerned are ready for operation.

Impairment losses and reversals of impairment losses

On each reporting date, the carrying amounts of property, plant and equipment and intangible assets are examined to determine whether indications of impairment exist. If such indications are identifiable, the asset's recoverable amount is estimated in order to determine the scope of any applicable impairment loss. If the recoverable amount for the specific asset cannot be estimated, the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

If the estimated recoverable amount of an asset (or cash-generating unit) exceeds its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. The impairment loss is expensed immediately.

If the impairment loss is to be reversed subsequently, the carrying amount of the asset (or cash-generating unit) is increased to the level of the more recent estimate of the recoverable amount. In this context, the increase in the carrying amount is to be limited to the amount that would have been derived if no impairment loss had been reported for the asset (or cash-generating unit) in previous years.

Due to the COVID-19 pandemic and associated uncertainties regarding the occurrence of the budgeted results recovery, indications of potential impairment (triggering events) were already identified in the first half of 2020 for the value of property, plant and equipment. No triggering events were identified in the 2021 financial year under review. Please see the remarks in F Accounting judgements and estimates.

Specialist spare parts

In the year under review, specialist spare parts in an amount of EUR 14 thousand were recognised as assets (previous year: EUR 80 thousand).

Obligations arising from investments in plant

Obligations arising from investments in plant amounted to EUR 37,485 thousand as of December 31, 2021 (previous year: EUR 27,421 thousand).

02) EQUITY ACCOUNTED INVESTMENTS

CARRYING AMOUNT OF INVESTMENTS IN ASSOCIATES IN EUR THOUSAND	2021	2020
Book value as of January 1	**1,891**	1,767
Share of profit of the year	**120**	123
Share of other comprehensive income	**5**	1
Share of dividends received	**-502**	0
BOOK VALUE AS OF DECEMBER 31	**1,514**	**1,891**

The 25.1 % interest in Speditionsservice Ranshofen GmbH (SSR) is equity accounted. SSR performs customs and dispatch processing for the Ranshofen site. The company is based in Ranshofen and its financial reporting date is December 31.

The following section presents the company's financial information in summarised form:

SUMMARISED FINANCIAL INFORMATION ON INVESTMENT IN ASSOCIATES IN EUR THOUSAND	2021	2020
Current assets	**5,063**	6,429
Non-current assets	**5,655**	5,491
Equity	**6,030**	7,533
Current liabilities	**3,602**	3,272
Non-current liabilities	**1,086**	1,115
Revenue	**7,735**	6,756
Profit of the year	**478**	490
Other comprehensive income	**19**	4
Total comprehensive income	**497**	494
Dividends received	**2,000**	0

The deferred taxes incurred on the proportional result were not recognised, as AMAG itself can manage the corresponding reversal, and from today's perspective this is not to occur.

03) OTHER NON-CURRENT ASSETS AND FINANCIAL ASSETS

Other non-current financial assets and investments comprise securities measured at fair value and non-consolidated interests as well as the interest in the company unitIT Dienstleistungs GmbH & Co KG.

As part of initial recognition, the election was utilised to recognise the measurement in other comprehensive income. The option was exercised, as the financial instruments comprise strategic investments and are not held for trading.

The "hold" business model is applied to other non-current financial assets that are debt instruments, and are recognised at amortised cost as a consequence.

OTHER NON-CURRENT ASSETS AND FINANCIAL ASSETS IN EUR THOUSAND	2021	2020
Derivatives recognised as non-current assets	**31,786**	30,033
Securities measured at fair value resulting in neither profit nor loss	**1,577**	1,509
Other non-current assets	**4,345**	3,038
	37,708	**34,580**

Information to derivatives is presented in section L Financial instruments, in the subsection on derivative financial instruments.

Securities measured at fair value resulting in neither profit nor loss contain interests of less than 20 % in three companies.

Other non-current assets include claims on insurance companies for insured receivables from customers in settlement or bankruptcy proceedings, binding commitments for government grants (primarily an investment grant of EUR 1,880 thousand (previous year: EUR 246 thousand)), and non-consolidated equity investments.

04) DEFERRED TAX ASSETS

DEFERRED TAX ASSETS IN EUR THOUSAND	2021	2020*
Deferred tax assets affecting net income	**-6,432**	-6,326
Deferred tax assets not affecting net income	**29,508**	17,313
	23,076	**10,987**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Deferred tax is calculated applying the balance sheet liability method. Deferred tax reflects the tax effects of the temporary differences between the reported carrying amounts of assets and liabilities on the one hand, and the corresponding amounts based on respective tax regulations on the other. Deferred tax assets and liabilities are measured applying the tax rates (and tax regulations) that are expected to apply to the period when the deferred tax assets are expected to be realised or the liabilities settled. Deferred taxes are recognised for all taxable temporary differences that give rise to deferred tax liabilities. Deferred tax assets are recognised only if it is probable that sufficient future taxable profit will be available for the deferred tax asset to be utilised. For this purpose, the carrying amounts of the deferred tax assets are reviewed at the end of each reporting period. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of the asset to be utilised.

Deferred tax assets include deferred taxes from loss carryforwards in the amount of IAS 2,500 thousand (previous year: EUR 1,626 thousand) (adapted on the basis of IAS 8). These derive from loss carryforwards of AMAG components amounting to EUR 8,526 thousand (previous year: EUR 4,892 thousand) (adapted on the basis of IAS 8) and of the AMAG Group amounting to EUR 0 thousand (previous year: EUR 768 thousand), for which a prospect of realisability exists on the basis of tax planning.

No deferred tax assets have been recognised for loss carryforwards in an amount of EUR 3,789 thousand, as it is unlikely that they can be realised (previous year: EUR 255 thousand). Furthermore, no deferred tax assets were recognised for the Canadian company's loss carryforwards of EUR 0 thousand (previous year: EUR 9,371 thousand).

The non-capitalised tax loss carryforwards may be carried forward for an unlimited period of time.

An offsetting of EUR 129 thousand of deferred taxes was also applied at the level of the AMAG components tax group in the year under review (previous year: EUR 66 thousand). In the previous year the offsetting concerned the AMAG Austria Metall AG tax group in the amount of EUR 1,208 thousand (previous year: EUR 0 thousand).

Deferred tax is recognised directly in equity if the tax relates to items that are recognised directly in equity, and this tax is offset against or credited to equity in the same or a different period.

DEFERRED TAX IN EUR THOUSAND	Deferred taxes 2021		Deferred taxes 2020*	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment	**4**	**22,382**	4	22,251
Other non-current assets and financial assets	**9**	**2,571**	10	2,261
Inventories	**3,462**	**3,989**	2,024	2,579
Receivables	**13,774**	**11,669**	5,112	13,255
Tax loss carryforward	**2,500**	**0**	1,626	0
Provisions	**24,281**	**4,463**	27,395	3,506
Liabilities	**29,012**	**4,891**	21,951	3,471
Minimum corporate tax	**0**	**0**	15	0
	73,040	**49,966**	**58,138**	**47,324**
Offsetting towards the same taxation authority	**49,964**	**49,964**	47,152	47,152
Net deferred tax assets and liabilities	**23,076**	**2**	**10,987**	**172**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The following table shows the changes and distribution of changes in deferred tax among those components that are recognised in profit or loss, and those recognised directly in equity:

CHANGE OF DEFERRED TAXES IN EUR THOUSAND	Deferred tax assets	Deferred tax liabilities
As of Jan. 1, 2020	9,721	7
Change in scope of consolidation*	86	180
Profit or loss changes	2,592	50
Cash flow hedges	-3,296	0
Revaluation of defined benefit pension plans	2,814	0
Currency translation differences	-865	0
Not recognised in profit or loss	-1,347	0
Offsetting on tax group level	-66	-66
As of Dec. 31, 2020	**10,987**	**172**
Profit or loss changes	4,122	4,054
Cash flow hedges	12,494	-3,107
Revaluation of defined benefit pension plans	-4,212	217
Currency translation differences	1,022	0
Not recognised in profit or loss	9,304	-2,891
Offsetting on tax group level	-1,337	-1,337
As of Dec. 31, 2021	**23,076**	**-2**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

05) INVENTORIES

Raw materials and consumables that are fully interchangeable and destined for use are measured applying consumption tracking methods (weighted average cost, and first-in, first-out methods). Inventories that are not normally exchangeable are recognised at cost, including incidental purchase costs. Impairment losses are applied whenever the net realisable value is below the carrying amount.

Work in progress and finished goods are capitalised at the lower of cost of conversion or net realisable value. Costs of conversion include direct material and production costs, as well as appropriate material and production overheads, based on normal capacity utilisation. General administrative expenses as well as selling and distribution expenses are not included. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to realise the sale.

The aluminium price component of the inventories that have been designated as at fair value hedge are carried at fair value. The unhedged component is measured at cost. If the net realisable value (average value of customer orders) is lower on the reporting date, this market value is recognised.

INVENTORIES IN EUR THOUSAND	2021	2020
Raw materials and consumables	**196,917**	144,129
Work in progress	**95,001**	51,721
Finished goods	**103,068**	65,257
Merchandise	**1,635**	540
	396,621	**261,647**

This item includes impairment losses of EUR 33,288 thousand (previous EUR 33,870 thousand). Of the change in the impairment loss, EUR 4,864 thousand is attributable to consumption (previous year: EUR 316 thousand), EUR 4,149 thousand to additions (previous year: EUR 8,673 thousand), EUR 0 thousand to changes in the consolidation scope (previous year: EUR 969 thousand), and the remainder relates mainly to currency translation differences.

Inventories of EUR 702,520 thousand were recognised in profit or loss in the period under review (previous year: EUR 460,305 thousand), EUR 699,808 thousand of which were attributable to cost of sales (previous year: EUR 458,590 thousand).

06) TRADE RECEIVABLES

Trade receivables without significant financing components are initially recognised at their transaction price in the meaning of IFRS 15, and subsequently at amortised cost, less any valuation adjustments for expected credit losses. See also section L Financial instruments.

Foreign currency receivables are measured at the average rate prevailing on the balance sheet date.

Contractually agreed bonuses and graduated prices reducing the transaction price are treated as variable payments according to IFRS 15 and offset with related customer receivables.

The factoring of EUR 3,886 thousand which existed in the previous year was terminated at the end of the year under review.

TRADE RECEIVABLES IN EUR THOUSAND	2021	2020
Trade receivables	**153,679**	113,338
Other receivables	**8**	18
	153,687	**113,357**

Valuation adjustments of EUR 1,436 thousand were recognised in the 2021 financial year (previous year: EUR 928 thousand).

Details on the measurement of the valuation adjustments can be found in section L Financial instruments, in the section Credit risks.

07) OTHER CURRENT ASSETS

OTHER CURRENT ASSETS IN EUR THOUSAND	2021	2020*
Other receivables and advanced payments	**43,034**	30,669
Derivatives recognised as current assets	**30,208**	46,735
Receivables from purchase price refund	**0**	4,200
Financial receivables - funds in transit	**87**	235
	73,328	**81,839**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Other receivables and prepayments include social security receivables and taxes of EUR 17,492 thousand (previous year: EUR 12,454 thousand), receivables of EUR 12,648 thousand due from Alouette partners (previous year: EUR 8,844 thousand), EUR 2,530 thousand of current receivables from state subsidies (previous year: EUR 3,654 thousand), EUR 2,786 thousand of prepayments and accrued income (previous year: EUR 2,108 thousand), EUR 4,687 thousand of current emissions certificates (previous year: EUR 1,038 thousand), and EUR 780 thousand of firm commitments (previous year: EUR 653 thousand).

The adjustments in accordance with IAS 8 led to the utilisation of a guarantee clause in the purchase agreement and thereby to a retrospective purchase price adjustment in the form of a reduction of EUR 4.2 million. For this part of the purchase price already paid at the end of 2020, a receivable relating to a repayment from the seller was recognised retrospectively in other current assets. For further information, please refer to section G Adjustments pursuant to IAS 8.

Information on derivatives and firm commitments is presented in section L Financial instruments, in the subsection on derivative financial instruments.

The tables below show the values before and after netting.

OFFSETTING FINANCIAL ASSETS AND LIABILITIES 2021 IN EUR THOUSAND	Before offsetting	Offsetting	After offsetting
Derivatives recognised as current assets	41,124	-10,916	**30,208**
Derivatives recognised as current liabilities	79,168	-10,916	**68,253**

OFFSETTING FINANCIAL ASSETS AND LIABILITIES 2020 IN EUR THOUSAND	Before offsetting	Offsetting	After offsetting
Derivatives recognised as current assets	72,630	-25,895	**46,735**
Derivatives recognised as current liabilities	70,091	-25,895	**44,196**

Netting is applied if corresponding agreements with the business partners exist. Only derivatives that are not in a hedging relationship are included, and it is also ensured that only the valuation per broker, per delivery date and per currency is applied.

08) CONTRACT ASSETS

CONTRACT ASSETS IN EUR THOUSAND	2021	2020
Value as of January 1	**1,788**	0
Change in scope of consolidation	**0**	2,110
Revenue recognised over time	**2,340**	-323
Reclassification to trade receivables	**-1,788**	0
	2,340	**1,788**

Contract assets comprise revenues recognised over time relating to orders for customer-specific products whose alternative use is contractually limited, and for which a claim exists to payment at any time in respect of the service already provided.

09) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and short-term investments as well as money market funds.

Measurement is at amortised cost. The exemption to waive an analysis of a deterioration of credit risk if low credit risks are ascribed to the banks on the reporting date is utilised for all bank deposits, as the corresponding banks carry an investment-grade category rating and therefore exhibit low credit risk.

The carrying amounts correspond to market values.

CASH AND CASH EQUIVALENTS IN EUR THOUSAND	2021	2020
Cash in hand	45	25
Current account surplus	22,699	69,367
Assessments	148,687	235,508
	171,431	304,899

These items on the balance sheet relate to the cash positions at the start and end of the reporting period that are contained in the consolidated statement of cash flows. Please refer to section F Accounting judgements and estimates.

10) EQUITY

Changes in equity are presented in a separate table (consolidated statement of changes in equity).

Share capital

The subscribed share capital exclusively comprises ordinary shares securitising the same rights, and all of which are issued.

The share capital comprises 35,264,000 nil par shares, each corresponding to EUR 1.00 of the share capital. All shares are fully paid in, and in circulation.

Capital reserves

The capital reserves include shareholder contributions, payments made by shareholders in connection with the issuance of shares, and effects arising from reorganisations.

The capital reserves amount to EUR 377,661 thousand, of which an amount of EUR 94,752 thousand is attributable to appropriated capital reserves and an amount of EUR 282,909 thousand is attributable to unappropriated capital reserves. No change occurred compared to the previous year.

Hedging reserve

The hedging reserve comprises gains and losses from the effective portion of cash flow hedges. Cumulative gains or losses from hedging transactions that are recognised under the hedging reserve are transferred to the statement of profit or loss only when the hedged transaction affects results. The change in the reserve in the year under review is primarily due to the change in the US dollar exchange rate as well as the measurement of the embedded derivative.

Fair value reserve

Changes in the fair values of options are recognised directly in the fair value reserve, without affecting profit or loss.

Revaluation reserve

The fair value adjustments to participating interests are recognised in the revaluation reserve. The disposal of the corresponding financial instrument also entails no recognition through profit or loss.

Revaluation of defined benefit pension plans

Actuarial gains and losses from the provisions for severance payments, pensions and medical care benefits are fully recognised in the reserves in the period in which they are accrued.

Exchange differences

The reserves for exchange differences recognise differences arising from the translation of the financial statements of subsidiaries that report in a foreign currency. The change in the reserve in the year under review is primarily due to the change in the US dollar exchange rate.

Retained earnings

Retained earnings consist of cumulative retained earnings from the period under review and from prior periods.

The company paid a dividend of EUR 17,632 thousand or EUR 0.50 per share in the financial year under review (previous year: EUR 17,632 thousand or EUR 0.50 per share).

The Management Board proposes to distribute a dividend of EUR 1.50 per share from the parent company's profit for the year.

Non-controlling interests

IN EUR THOUSAND	AMAG components December 31, 2020*
Share in % non-controlling interests	30.00%
Non-current assets	21,915
Current assets	18,374
Non-current liabilities	-19,795
Current liabilities	-19,448
NET ASSETS (100 %)	1,046
Net assets non-controlling interests	314
Revenue	4,871
NET INCOME AFTER TAXES	87
Net income after taxes non-controlling interests	26

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

In the 2021 financial year, non-controlling interests were recognised for the months January to May 2021. Subsequently, the remaining 30 % interest was attributed to the majority owner.

The table presents information concerning the non-controlling interests deriving from AMAG components, before intercompany eliminations.

In June 2021, a shareholders' agreement led to the economic attribution of the remaining 30 % interest in AMAG components to AMAG. For this reason, the acquisition of the non-controlling interests was recognised as of June 30, 2021.

Approved capital

Pursuant to Section 4 (5) of the articles of incorporation of AMAG Austria Metall AG, the Management Board is authorised until September 22, 2025, with the approval of the Supervisory Board, to increase the company's share capital – in several tranches if necessary – by up to EUR 17,500,000 by issuing up to 17,500,000 new nil par value bearer or registered shares in return for cash and/or non-cash capital contributions, and to determine the type of shares, the issue price and the issue conditions (Approved Capital 2020). Statutory subscription rights can be granted to the shareholders by transferring the capital increase to a bank or a syndicate of banks with the obligation that it be offered to shareholders according to their subscription rights (indirect subscription rights). However, the Management Board is authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in whole or in part in the event of a capital increase from the authorised capital (i) if the capital increase is made against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, equity interests in companies or other assets related to an acquisition project, (ii) to service an over-allotment option (greenshoe) or (iii) to settle fractional amounts. The Supervisory Board is authorised to approve amendments to the articles of incorporation resulting from the issue of shares from authorised capital.

By resolution of the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised, pursuant to Section 174 (2) of the Austrian Stock Corporation Act (AktG), to issue convertible bonds within five years of the date of this resolution, in other words, by July 21, 2025, with the approval of the Supervisory Board, including in several tranches, which grant or provide for subscription or conversion rights or a subscription or conversion obligation for a total of up to 17,500,000 shares in the company (Convertible Bond 2020). The issue amount, the issue, the conversion procedure of the convertible bonds and all other conditions are to be determined by the Management Board with the approval of the Supervisory Board. The issue price and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics and the stock market price of the company's shares in a recognised pricing procedure. Statutory subscription rights can be granted to the shareholders by transferring the convertible bonds to a bank or a syndicate of banks with the obligation that they be offered to shareholders according to their subscription rights (indirect subscription rights). The Management Board is further authorised, with the consent of the Supervisory Board, to exclude the shareholders' subscription right in whole or in part when issuing convertible bonds (i) if the convertible bonds are issued against non-cash capital contributions for the purpose of acquiring companies, parts of companies, operations, interests in companies or other assets related to an acquisition project, or (ii) to compensate for fractional amounts resulting from the subscription ratio. The Management Board is further authorised, with the consent of the Supervisory Board, to wholly or partially exclude subscription rights to convertible

bonds if the Management Board, after due examination, arrives at the opinion that the bonds' issue amount at the time of the final determination of the issue amount is not less than their hypothetical market value calculated according to recognised methods, especially financial mathematical methods, and the subscription shares' conversion price or subscription price (issue amount) is in each case calculated in a recognised pricing process according to recognised financial mathematical methods as well as the price of the company's ordinary shares, and does not lie below the stock exchange price of the company shares during the 20 trading days preceding the date of the announcement of the convertible bond issue.

The company's share capital is increased conditionally pursuant to Section 159 (2) Clause 1 of the Austrian Stock Corporation Act (AktG) by up to EUR 17,500,000 through issuing up to 17,500,000 ordinary nil par value ordinary bearer shares (nil par value shares) for issuing to holders of convertible bonds, for which the Management Board was authorised by the Shareholders' General Meeting of July 21, 2020 (Conditional Capital 2020). The capital increase may only be carried out to the extent that creditors of convertible bonds exercise their subscription or conversion rights to shares in the company, or those who are obligated to subscribe or convert fulfil their obligation to subscribe or convert, and the Management Board passes a resolution to service these convertible bonds with new shares. The issue amount and the exchange ratio are to be determined in accordance with recognised methods of financial mathematics as well as the price of the company's ordinary shares in a recognised pricing procedure (basis for calculating the issue amount); the issue amount may not be lower than the pro rata amount of the share capital. The new shares to be issued in the conditional capital increase are fully entitled to dividends for the entire financial year in which they are issued. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the articles of incorporation in accordance with the respective issue of the subscription shares. The same applies in the event of non-utilisation of the authorisation to issue convertible bonds after expiry of the authorisation period, and, in the event of non-utilisation of the conditional capital, after expiry of the deadlines in accordance with the convertible bond conditions.

At the Annual General Meeting of AMAG Austria Metall AG on July 21, 2020, the Management Board was authorised – with the simultaneous cancellation of the relevant resolutions of the Annual General Meeting of April 17, 2018 – to purchase treasury shares for the company, with the approval of the Supervisory Board. The lowest price to be paid at the time of repurchase is 25 % below the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program, and the highest price to be paid at the time of repurchase is 25 % above the weighted average closing price of the 20 trading days preceding the start of the corresponding repurchase program, as well as to determine the repurchase conditions, whereby the Management Board must publish the Management Board resolution and the respective repurchase program that is based upon it, including its duration, in accordance with the statutory provisions (in each case). The Management Board may exercise this authorisation within the statutory limits on the maximum permissible number of treasury shares once or several times in total up to a maximum limit of 10 % of the share capital. The authorisation can be exercised wholly or in part, or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The purchase can occur through the stock market or off-bourse, in compliance with statutory regulations. Trading in treasury shares is not permitted as the purpose of the purchase. The Management Board was also authorised, with the consent of the Supervisory Board, to redeem or resell the acquired treasury shares without requiring a further resolution by the Shareholders' General Meeting, and to determine the terms and conditions of the sale. The authorisation can be exercised wholly or in several partial amounts, and in pursuit of one or several objectives, by the company, a subsidiary (Section 189a (7) of the Austrian Commercial Code [UGB]), or for the company's account by third parties. The Management Board was also authorised for a period of five years from July 21, 2020, pursuant to Section 65 (1b) of the Austrian Stock Corporation Act (AktG) – with simultaneous cancellation of the relevant resolutions of the Annual General Meeting of April 17, 2018 – to determine, with the consent of the Supervisory Board, a legally permissible method of sale other than via the stock exchange or a public offer, and to decide on any exclusion of the shareholders' repurchase rights (subscription rights) and to determine the terms and conditions of the sale.

Restrictions

Following an internal review, the Management Board is not aware of any restrictions in the meaning of Section 243a Clause 2 of the Austrian Commercial Code (UGB).

Additional disclosures regarding capital management

AMAG is not subject to any capital requirements under its articles of incorporation. Due to the volatile nature of the aluminium business and the high fixed assets ratio, the sound capital structure provides an important basis for financial flexibility.

The main aim of capital management at AMAG is to secure the Group's growth and further development, and to optimise returns for shareholders. The management exclusively regards consolidated equity as measured pursuant to IFRS as its equity capital. The capital structure is monitored constantly, and is as follows at the end of the reporting period:

CAPITAL STRUCTURE IN EUR THOUSAND	2021	2020*
Total equity	629,474	602,698
Equity ratio	39.5%	38.9%
BALANCE SHEET TOTAL	1,593,760	1,548,289

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

11) PERSONNEL PROVISIONS

Provisions for defined benefit pension plans and post-employment medical care plans, as well as severance payments and service anniversary bonuses obligations, are remeasured annually by independent actuaries.

The obligations and costs are measured applying the projected unit credit method, in accordance with IAS 19. The projected benefits are attributed to the entire period of employment. In the provisions for severance arrangements, the anticipated obligations are distributed over the period until the attainment of the individually maximum possible entitlement.

PERSONNEL PROVISIONS IN EUR THOUSAND	2021	2020
Provisions for severance payments	37,596	40,425
Provisions for pensions	39,043	48,785
Provisions for medical care benefits	9,108	8,855
Provisions for service anniversary bonuses	10,880	10,933
Provisions for other long-term benefits	0	30
TOTAL PERSONNEL PROVISIONS	96,627	109,028
thereof non-current	92,192	103,218

Provisions are measured based on the following financial and demographic assumptions:

Discounting rates are determined on a country-specific basis reflecting returns achieved on the market by top grade industrial bonds. The pension schemes of the Austrian companies are measured on the basis of yield trends as determined by MERCER Deutschland, and in accordance with the obligations' residual durations. In Canada, "Fiera Capital's CIA Method Accounting Discount Rate Curve" is applied as a reference in an analogous manner.

Salary growth is derived from the beneficiaries' wage and salary trends over recent years, taking expectations about the future into consideration. Pension adjustments in Austria are based on the ECB's long-term inflation target. In Canada, cost trends for medical care services reflect the circumstances prevailing there.

The rate of staff turnover is calculated on a country-specific basis according to various criteria such as length of service and age.

The latest figures for Austrian salaried employees contained in the AVÖ 2018-P mortality tables published by the Austrian Actuaries Association (AVÖ) serve as the measurement basis. These are applied both for mortality as well as for invalidity and marriage probabilities. At the Canadian company Aluminerie Alouette Inc., the "CPM2014Priv projected with scale CPMB (2 dimensions)" tables are applied as the basis for mortality, with a reduction in the mortality rate of 2.5 % and 5 % respectively.

Current service cost and any past service cost are reported among personnel expenses, with the net interest expense on the measurement of the aforementioned obligations being reported in the net financial result. Actuarial gains and losses other than those related to service anniversary bonuses are stated under other comprehensive income. Payments anticipated in the subsequent financial year are shown under current provisions.

Provisions for severance benefits

Employees of Austrian Group companies who joined the Group before January 1, 2003 are entitled to severance payments upon reaching retirement age or if their employment contract is terminated. The entitlement is determined by years of service and final salary ("old severance"). These obligations are accounted for as defined benefit plans.

For employees who joined after January 1, 2003, contributions to employee benefit funds (MVKs) in an amount of EUR 1,132 thousand have been made for severance entitlements in defined contribution plans (previous year: EUR 1,111 thousand).

The provisions for severance benefits changed as follows:

PROVISIONS FOR SEVERANCE BENEFITS IN EUR THOUSAND	2021	2020
Present value of the obligation as of January 1	40,425	39,796
Current service cost	1,082	1,068
Interest cost	379	490
Payments	-1,770	-1,713
EXPECTED VALUE OF THE OBLIGATION AS OF DEC. 31	**40,117**	**39,641**
PRESENT VALUE OF THE OBLIGATION AS OF DEC. 31	**37,596**	**40,425**
Revaluation of the period (Increase in other comprehensive income)	**-2,520**	**785**
thereof from changes in financial assumptions	-1,644	1,730
thereof from experience-based adjustments	-876	-946

The calculations were based on the following parameters:

PARAMETERS SEVERANCE BENEFITS	2021	2020
Increase in salary in %	4.50	4.50
Discount factor in %	1.30	1.00
Retirement age/pension age (years)	65	65

Taking the probability of a payout into consideration, employee turnover is graduated by years of service and ranges, depending on period of service, between 0.50 and 7.50 % (previous year: between 0.50 and 7.50 %). The actuarial losses arise mainly from the change in the interest rate.

The average remaining duration of the obligations amounts to 14.4 years (previous year: 14.9 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2021	2020
Included in personnel expenses		
Current service cost	1,082	1,068
Expenses for severance payments	89	150
Contributions to employee benefit funds	1,132	1,111
Expenses for severance payments and contributions to employee benefit funds	**2,303**	**2,328**
Included in net interest expenses		
Interest cost	379	490

For the following financial year, severance benefits of EUR 592 thousand (previous year: EUR 1,065 thousand) are to be expected, which are reported under current provisions.

SENSITIVITY PROVISIONS FOR SEVERANCE BENEFITS (IN %)	2021		2020	
	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
Effect of changes in salaries				
on the defined benefit obligation	3.5%	-3.4%	3.6%	-3.5%
Effect of changes to the discount factor				
on the defined benefit obligation	-3.5%	3.6%	-3.6%	3.8%

Provisions for pensions

Provisions for pensions relate mainly to provisions in Austria and Canada for defined benefit plans, which are largely covered by plan assets. Where a pension plan qualifies for offsetting of the plan assets against the provision required by IAS 19, such offsetting is performed.

The Austrian companies' obligations are to former executives based on individual contractual commitments. Entitlements are based on final salary and are index-linked. The group of beneficiaries largely comprises individuals who are already entitled to benefits, as well as former employees who are not yet entitled to benefits. A pensionable retirement age of 61.5 years is applicable to the latter within the scope of individual contractual arrangements, as a matter of principle. As the beneficiaries include practically no active employees, no staff fluctuation is taken into consideration.

In Canada, a defined benefit scheme is in place for all employees who joined the Group before June 2012. The benefits are determined by years of service and average salary. Since June 2012, only production staff have received contracts that include defined benefit plans. The pensionable age for both men and women lies between 55 and 65 years. The measurement comprises a distribution over this period, with an ascending weighting. Staff turnover is included differentiated by age and gender. The provisions for pensions changed as follows:

PROVISIONS FOR PENSIONS IN EUR THOUSAND	2021	2020
Present value of the obligation as of January 1	111,985	104,954
Exchange differences	7,283	-5,312
Current service cost	2,704	2,338
Past service cost	1	44
Contributions to plan assets (employees)	673	701
Interest cost	2,574	2,676
Payments from plan assets	-3,787	-3,563
EXPECTED VALUE OF THE OBLIGATION AS OF DEC. 31	**121,432**	**101,838**
PRESENT VALUE OF THE OBLIGATION AS OF DEC. 31	**114,483**	**111,985**
Revaluation of the period (Increase in other comprehensive income)	**-6,949**	**10,146**
Fair value of plan assets in EUR thousand		
Fair value of plan assets as of January 1	63,200	64,936
Exchange differences	4,616	-3,376
Interest income	1,412	1,674
Contributions to plan assets (employer)	2,525	2,801
Contributions to plan assets (employees)	673	701
Payments from plan assets	-3,787	-3,563
EXPECTED VALUE OF PLAN ASSETS AS OF DEC. 31	**68,638**	**63,173**
FAIR VALUE OF PLAN ASSETS AS OF DEC. 31	**75,440**	**63,200**
Revaluation of the period (Increase in other comprehensive income)	**6,801**	**26**
PROVISIONS FOR PENSIONS DEC. 31	**39,043**	**48,785**
Revaluation of the period (Increase in other comprehensive income)	**-13,750**	**10,120**

PROVISIONS FOR PENSIONS IN EUR THOUSAND	2021	2020
thereof from changes in financial assumptions	-8,399	10,234
thereof from experience-based adjustments	1,450	-88
thereof from plan asset changes	-6,801	-26

The calculations were based on the following parameters:

PARAMETERS PENSIONS	2021	2020
Austria		
Increase in salaries in %	2.00	2.00
Discount factor in %	1.20	0.90
Canada		
Increase in salary in %	3.00	3.00
Discount factor in %	3.01 - 3.05	2.5 - 2.6

The average residual duration of the obligations amounts to 11.7 years in Austria (previous year: 12.4 years), and to 19.8 years in Canada (previous year: 19.4 years).

In Austria, actuarial gains derived mainly from the increase in the interest rate. As in Austria, the increase in the interest rate also led to actuarial gains in Canada.

EFFECTS ON EARNINGS IN EUR THOUSAND	2021	2020
Included in personnel expenses		
Current service cost (employer)	3,377	3,039
Contributions to plan assets (employees)	-673	-701
Past service cost	1	44
Included in net interest expenses		
Interest cost	1,162	1,002

ALLOCATION OF PENSION EXPENSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2021	2020
Cost of sales	3,447	2,223
Selling and distribution expenses	295	364
Administrative expenses	526	967
Other expenses	238	305
	4,506	3,859

Plan assets:

Plan assets are invested in Austria with APK Pensionskasse AG, in different investment and risk classes (VRG) depending on the respective structure of the obligations. Assets relating to pensions drawn by retired employees are invested in VRG2, which has an investment and risk strategy based on significantly shorter maturities than those applied under VRG19, which manages assets related to projected benefit obligations. The Group is obligated to meet any funding shortfalls only in the event that returns do not cover the funding requirements for ongoing pension payments from APK.

In the following financial year, supplementary payments of EUR 959 thousand (previous year: EUR 1,518 thousand) are anticipated and are reported under current provisions.

In Canada, the individual pension schemes are invested in each case in their own pension funds that are all held through a trust under joint asset management (Fiducie Desjardins), for whose management Letko Brosseau & Associates, TD Asset Management, UBS, and Axium Capital Inc. are responsible.

Employer contributions to the plan assets of the Canadian company will amount prospectively to EUR 2,345 thousand in the following year (previous year: EUR 2,719 thousand); these expected payments are also reported under current provisions.

The change in plan assets in Austria and Canada is as follows:

FAIR VALUE OF PLAN ASSETS IN EUR THOUSAND	2021		2020	
	Austria	Canada	Austria	Canada
Fair value of plan assets as of January 1	**13,899**	**49,301**	14,555	50,381
Exchange differences	**0**	**4,616**	0	-3,376
Interest income	**117**	**1,295**	161	1,513
Contributions to plan assets	**207**	**2,992**	464	3,039
Payments from plan assets	**-1,756**	**-2,031**	-1,756	-1,808
Actuarial (gains)/losses	**782**	**6,019**	475	-449
FAIR VALUE OF PLAN ASSETS AS OF DEC. 31	**13,249**	**62,191**	**13,899**	**49,301**

The investment structure is outlined below:

INVESTMENT TO PLAN ASSETS AS OF DEC. 31 (IN %)	2021		2020	
CLASSES OF ASSETS	Austria	Canada	Austria	Canada
Shares	**28.3**	**48.8**	31.0	60.6
Bonds	**54.9**	**31.4**	53.8	33.2
Real estate	**7.6**	**14.0**	5.0	5.5
Cash	**6.1**	**0.0**	6.8	0.0
Other	**3.1**	**5.8**	3.4	0.7
TOTAL	**100.0**	**100.0**	**100.0**	**100.0**

The plan assets predominantly comprise assets whose prices are quoted on active markets. Of the equity instruments in Austria, approximately one third reflects euro equities, one third US equities and one third Asian equities. The debt securities in Austria comprise approximately 39 % government bonds, of which around one half derived from the OECD area. The rest are corporate bonds. The debt instruments in the Canadian plan assets comprise exclusively foreign currency securities (non-euro). Of the equity instruments, 20 % are denominated in euros and 80 % in foreign currencies, with 19 % deriving from emerging markets.

SENSITIVITY FOR PENSIONS (IN %)	2021		2020	
	+ 0.25 %	- 0.25 %	+ 0.25 %	- 0.25 %
Effect of changes in salaries				
on the defined benefit obligation	**1.6%**	**-1.6%**	1.8%	-1.7%
Effect of changes to the discount factor				
on the defined benefit obligation	**-3.7%**	**3.9%**	-4.3%	4.6%

Defined contribution plans:

In Austria, managers and employees are also entitled to defined contribution plans after they have been employed by the company for a certain period of time. The Group companies make payments into a pension scheme depending on salary.

In Canada, payments are made into defined contribution plans for administrative staff, managers and senior employees of Aluminerie Alouette Inc.

The total amount of such payments in the year under review stood at EUR 1,557 thousand (previous year: EUR 1,365 thousand), which were expensed. No further obligations arising from this exist.

Provisions for medical care benefits

Defined benefit supplementary health insurance has been taken out for employees of Aluminerie Alouette Inc. who joined the company before April 1, 2009. The benefits are determined by years of service and average salary. The pensionable age for both men and women lies between 55 and 65 years. The measurement comprises a distribution over this period, with an ascending weighting. Staff turnover is included differentiated by age and gender.

The provision changed as follows:

PROVISIONS FOR MEDICAL CARE IN EUR THOUSAND	2021	2020
Present value of the obligation as of January 1	**8,855**	9,571
Exchange differences	**763**	-631
Current service cost	**115**	103
Interest cost	**233**	252
Payments	**-226**	-195
Expected value of the obligation as of Dec. 31	**9,740**	**9,100**
Present value of the obligation as of Dec. 31	**9,108**	**8,855**
Revaluation of the period (Increase in other comprehensive income)	**-632**	**-244**
thereof from changes in financial assumptions	**-680**	941
thereof from experience-based adjustments	**48**	-1,185

The calculations were based on the following parameters:

PARAMETERS MEDICAL CARE	2021	2020
Salary increase in %	**3.00**	3.00
Increase in costs in %	**4.75**	4.75
Discount rate in %	**2.89 - 3.0**	2.4 - 2.5

The average remaining duration of the obligations amounts to 16.8 years (previous year: 16.8 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2021	2020
Included in personnel expenses		
Current service cost	**115**	103
Included in net interest expenses		
Interest cost	**233**	252

In the following year, employer contributions are expected to amount to EUR 229 thousand (previous year: EUR 199 thousand) and are reported under current provisions.

The effects of a change of 0.25 percentage points in the projected movement of medical care benefits costs were as follows:

SENSITIVITY PROVISIONS FOR MEDICAL CARE (IN %)	2021		2020	
Effects of changes of medical care benefit costs	**+ 0.25 %**	**- 0.25 %**	**+ 0.25 %**	**- 0.25 %**
on the defined benefit obligation	**3.2 %**	**-3.1 %**	3.7 %	-3.5 %

Provisions for service anniversary bonuses

The provision for service anniversary bonuses relates to the provisions that Group companies in Austria form for payments under collective agreements and/or works agreements, depending on length of service. As of December 31, 2021, a provision of EUR 10,880 thousand is recognised (previous year: EUR 10,933 thousand).

Of the obligation, the service anniversary bonuses anticipated in the subsequent year amount to EUR 310 thousand (previous year: EUR 308 thousand), which are reported as current provisions.

The calculations were based on the following parameters:

PARAMETERS SERVICE ANNIVERSARY BONUSES	2021	2020
Increase in salaries in %	**4.50**	4.50
Discount factor in %	**1.30**	1.00
Retirement age/pension age (years)	**65**	65

Taking into consideration the probability of the payout, employee turnover is graduated by years of service and ranges, depending on period of service, between 0.50 and 7.50 % (previous year: between 0.50 and 7.50 %). The increase in the interest rate also led to actuarial gains which are included in personnel expenses.

The average remaining duration amounts to 15.7 years (previous year: 16.1 years).

EFFECTS ON EARNINGS IN EUR THOUSAND	2021	2020
Included in personnel expenses		
Current service cost	**738**	697
Actuarial (gains)/losses	**-621**	408
Included in net interest expenses		
Interest cost	**104**	124

12) OTHER PROVISIONS

Other provisions are formed if an obligation to third parties arises from a past event, utilisation is probable, and the prospective level of the provisioning amount can be estimated reliably on the balance sheet date.

OTHER PROVISIONS IN EUR THOUSAND	2021	2020
Other non-current provisions	**13,244**	13,342
Other current provisions	**16,135**	7,104
	29,379	**20,446**

CHANGES OF OTHER PROVISIONS 2021 IN EUR THOUSAND	Post-closure care	Contract risks	Customer complaints	Others	Total
Book value as of January 1	14,293	3,665	931	1,556	**20,446**
Exchange differences	299	0	0	15	**315**
Utilisation	-429	-6	-278	-1,073	**-1,787**
Reversal	-11	-355	-482	-374	**-1,222**
Addition	110	6,201	2,566	2,541	**11,417**
Compounding	209	0	0	0	**209**
BOOK VALUE AS OF DEC. 31, 2021	**14,471**	**9,505**	**2,738**	**2,666**	**29,379**
THEREOF CURRENT	**1,277**	**9,505**	**2,738**	**2,615**	**16,135**

CHANGES OF OTHER PROVISIONS 2020 IN EUR THOUSAND	Post-closure care	Contract risks	Customer complaints	Others	Total
Book value as of January 1	14,752	2,683	4,602	1,334	**23,370**
Change in scope of consolidation	0	0	10	120	**130**
Exchange differences	-324	0	0	-1	**-325**
Utilisation	-545	-153	-344	-433	**-1,475**
Reversal	0	-30	-3,984	-74	**-4,087**
Addition	356	1,166	648	609	**2,778**
Compounding	55	0	0	0	**55**
BOOK VALUE AS OF DEC. 31, 2020	**14,293**	**3,665**	**931**	**1,556**	**20,446**
THEREOF CURRENT	**1,002**	**3,665**	**931**	**1,506**	**7,104**

Provisions for post-closure care comprise the following items:

Aluminerie Alouette Inc. is required to dispose professionally of contaminated furnace linings of pots at the end of their expected operational lives. Provisions are formed for the estimated disposal costs at their present value as of the commissioning date. The discounting factor is calculated based on five-year maturity Canadian government bonds. The carrying amount of the non-current portion of the provision stands at EUR 2,978 thousand (previous year: EUR 2,895 thousand).

Furthermore, the items relating to environmental follow-up costs, leachate treatment and landfill maintenance are included in section F Accounting judgements and estimates.

The provisions for contract risk relate to provisions for anticipated losses on onerous contracts. All customer orders are investigated for losses. This entails comparing estimated costs, taking inflation into account, with agreed prices. If the costs exceed the expected revenues, the difference is discounted applying a congruent maturity interest rate (congruent maturity European government yield curve on euro-denominated government bonds), and a provision is formed.

Under customer complaints, all open reclaim cases are measured in relation to their estimated expenses and recognised as provisions.

13) INTEREST-BEARING FINANCIAL LIABILITIES

INTEREST-BEARING FINANCIAL LIABILITIES IN EUR THOUSAND	2021	2020*
Interest-bearing non-current financial liabilities	**396,002**	515,216
Interest-bearing current financial liabilities	**121,628**	104,262
	517,630	**619,477**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

In accordance with IAS 8, the liability from the seller's put option recognised under interest-bearing non-current financial liabilities was to be remeasured from EUR 3,620 thousand to EUR 1,180 thousand as of December 31, 2020. For further information, please refer to section G Adjustments pursuant to IAS 8.

Details about changes to financial liabilities are presented in section K Notes to the consolidated statement of cash flows.

14) OTHER LIABILITIES AND GRANTS

OTHER LIABILITIES AND GRANTS IN EUR THOUSAND	2021	2020
Other non-current liabilities and grants	**73,798**	46,016
Other current liabilities and grants	**118,044**	87,613
	191,842	**133,629**

Other non-current liabilities and grants include the non-current portion of the grant in connection with the conclusion of the Alouette electricity contract in the amount of EUR 54,654 thousand (previous year: EUR 37,050 thousand), non-current derivatives with negative fair values in the amount of EUR 13,500 thousand (previous year: EUR 5,949 thousand), other liabilities to employees in the amount of EUR 634 thousand (previous year: EUR 816 thousand), non-current accruals and deferred income in the amount of EUR 424 thousand (previous year: EUR 727 thousand), and other liabilities in the amount of EUR 1,884 thousand (previous year: 1,474 EUR thousand).

The Management Board contracts include a long-term performance-based component. The long-term variable performance bonus is calculated for each Management Board member until the end of the respective contract term. It is based on the future trend in the value of the company's equity. For the Management Board's long-term variable performance bonus, which depends on future developments and the realisation of key performance indicators, precautions in the amount of EUR 2,520 thousand plus EUR 182 thousand for ancillary wage costs (previous year: EUR 0 thousand) were recognised in the statement of profit or loss in the current financial year.

OTHER CURRENT LIABILITIES AND GRANTS IN EUR THOUSAND	2021	2020
Derivatives recognised as current liabilities	**68,253**	44,196
Liabilities due to employees	**21,867**	20,165
Other tax liabilities	**2,399**	1,810
Liabilities due to social security carriers	**3,260**	3,222
Grant power contract	**14,973**	13,886
Sundry other liabilities	**7,292**	4,334
	118,044	**87,613**

Details about derivatives are summarised in section L Financial instruments, in the subsection on derivative financial instruments. Details on the netting of derivatives can be found in section 7.

15) DEFERRED TAX LIABILITIES

DEFERRED TAX LIABILITIES IN EUR THOUSAND	2021	2020*
Deferred tax liabilities affecting net income	2	172
	2	172

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Details on the accounting treatment of deferred tax are presented in section 4.

16) TRADE PAYABLES

TRADE PAYABLES IN EUR THOUSAND	2021	2020
Trade payables	107,860	59,111
	107,860	59,111

Of the trade payables, EUR 9,506 thousand are attributable to investment liabilities (previous year: EUR 6,900 thousand).

J NOTES TO THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The AMAG Group prepares its statement of profit or loss applying the cost of sales method.

01) REVENUE

The AMAG Group's revenue streams derive from the sale of primary aluminium (Metal Division), the sale of aluminium rolled products (Rolling Division), aluminium cast alloys (Casting Division) and services connected with building and space management, works services, etc. at its Ranshofen site (Service Division), whereby external revenue generated from services plays a subordinate role (0.52% of total revenue, previous year: 0.64%). The segment report in section H includes further information about revenues.

The AMAG Group's activities in several business segments reduce the risk of dependency on a small number of customers. Its ten largest customers account for 33.6 % of revenue (previous year: 32.1 %), and the largest single customer, which is attributable to the Rolling Division, accounts for 7.8 % (previous year: 11.0 %).

The revenue is comprised as follows:

ALLOCATION OF REVENUE IN EUR THOUSAND	2021	2020
Revenue from third parties	**1,282,604**	911,923
Revenue from services	**6,543**	5,761
Result derivatives	**-29,742**	-13,517
	1,259,406	**904,167**

The revenue results entirely from contracts with customers.

The services rendered by the AMAG Group comprise mainly point in time-related services. To a minor extent, services are rendered that are realised over time, particularly in the case of customer- specific products whose alternative use is contractually limited, and for which a claim exists to payment at any time with respect to the service already rendered.

In the case of point in time-related services, revenue is recognised as soon as the customer obtains power of control over the transferred goods. Gaining power of control occurs in accordance with agreed Incoterms. Customer contracts with CIF, CFR or CIP supply terms comprise the only exception. In this case, transport services/insurance are invoiced in addition to the delivery. The corresponding expected transportation costs are deferred under revenue and receivables in such cases if the transport has not yet been carried out as of the reporting date. The transaction price comprises the aluminium price, any premiums (for transportation etc.) and mark-ups for reprocessing and qualities. Payment targets are contractually agreed individually, but amount to a maximum of 180 days.

In the case of services rendered over time, revenue is recognised in accordance with the stage of completion, which is determined as the ratio of contract costs incurred to the estimated total contract costs (cost-to-cost method).

The result from derivatives includes expenses from derivatives designated as in a cash flow hedge pursuant to IFRS 9. Only the Service Division generates revenue from services.

The AMAG Group recognises revenue in the following regions:

REVENUE BY REGIONS 2021 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Group
Western Europe (without Austria)	53,707	75,806	397,073	3	**526,589**
Austria	1	31,245	137,228	6,540	**175,013**
Rest of Europe	0	11,196	102,735	0	**113,930**
North America	232,136	0	150,106	0	**382,241**
Asia, Oceania and other	0	0	61,631	0	**61,631**
	285,843	**118,247**	**848,773**	**6,543**	**1,259,406**

REVENUE BY REGIONS 2020 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Group
Western Europe (without Austria)	82,708	39,605	266,234	1	**388,548**
Austria	1	19,854	124,206	5,760	**149,822**
Rest of Europe	5	5,996	75,698	0	**81,699**
North America	114,890	0	108,477	0	**223,367**
Asia, Oceania and other	0	12,941	47,789	0	**60,731**
	197,605	**78,396**	**622,405**	**5,761**	**904,167**

02) COST OF MATERIALS

PRESENTATION IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2021	2020
Cost of sales	**858,819**	536,583
Selling and distribution expenses	**276**	445
Administrative expenses	**373**	363
Research and development expenses	**2,213**	1,463
Other expenses	**1,056**	981
	862,737	**539,835**

Details about the derivatives' effects on the cost of materials are presented in section L Financial instruments, in the subsection on derivative financial instruments.

As a matter of principle, expense-related government grants are recognised as revenue on a scheduled basis over the period that is required to offset the expenses that they subsidise. In the 2021 financial year, EUR 18,631 thousand (previous year: EUR 17,691 thousand) in expense-related government grants were recognised in income. Within the cost of sales, these are included under the cost of materials in an amount of EUR 14,397 thousand (previous year: 14,913 EUR thousand) and in other income in an amount of EUR 4,233 thousand (previous year: EUR 2,778 thousand); see section 3. The grants derive to a large extent from the Alouette electricity contract.

03) OTHER INCOME

ALLOCATION OF OTHER INCOME IN EUR THOUSAND	2021	2020
Grants and government subsidies	4,233	2,778
Income from currency translation	0	2,026
Other income	4,358	3,195
	8,591	7,999

Grants and government subsidies mainly comprise a research premium of EUR 3,355 thousand (previous year: EUR 1,579 thousand). Sundry other income comprises income from maintenance services and received compensation payments.

04) PERSONNEL EXPENSES

ALLOCATION OF PERSONNEL EXPENSES IN EUR THOUSAND	2021	2020
Wages	77,210	65,278
Salaries	59,422	46,219
Expenses for severance payments and contributions to employee benefit funds	2,303	2,328
Retirement benefit obligation	4,506	3,859
Expenses for social security contributions	31,354	28,591
Other expenses for social benefits	358	341
	175,154	146,617

Personnel expenses are included in the following items in the statement of profit or loss:

ALLOCATION OF PERSONNEL EXPENSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2021	2020
Cost of sales	125,393	107,841
Selling and distribution expenses	14,812	12,728
Administrative expenses	22,205	15,496
Research and development expenses	10,022	8,436
Other expenses	2,722	2,117
	175,154	146,617

COVID-19 grants (mainly short-time working grants) amounting to EUR 1,478 thousand (previous year: EUR 8,689 thousand) were recognised as a reduction of personnel expenses.

Management Board members and senior executives

The variable remuneration of the AMAG Management Board is based on a number of indicators including return on investment and consolidated net income after tax. The ratio of fixed to variable components in the total remuneration of Management Board members is approximately 55 % to 45 % (previous year: approximately 69 % to 31 %). Management Board compensation, including expenses for pensions and severance benefits, stood at EUR 2,881 thousand in the financial year (previous year: EUR 2,289 thousand).

Group executive staff received EUR 11,528 thousand of compensation (previous EUR 9,229 thousand).

Expenses for severance payments and contributions to employee benefit funds are comprised as follows:

EXPENSES FOR SEVERANCE PAYMENTS AND CONTRIBUTIONS TO EMPLOYEE BENEFIT FUNDS ACC. TO FUNCTION IN EUR THOUSAND	2021	2020
Board members	**36**	29
Executive employees	**52**	52
Other employees	**2,215**	2,247
	2,303	**2,328**

Of this amount, employee benefit funds account for EUR 1,132 thousand (previous year: EUR 1,111 thousand).

Pension expenses are comprised as follows:

PENSION EXPENSES ACCORDING TO FUNCTION IN EUR THOUSAND	2021	2020
Board members	**136**	136
Executive employees	**298**	305
Other employees	**4,072**	3,419
	4,506	**3,859**

This includes payments to pension funds in an amount of EUR 1,557 thousand (previous year: EUR 1,365 thousand).

A premium of EUR 40 thousand (previous year: EUR 40 thousand) was paid for D&O liability insurance.

The pension scheme for Management Board members and managing directors of consolidated companies is comprised entirely of defined contribution plans. The Group has no obligation to meet any funding shortfalls.

Supervisory Board

Compensation of EUR 638 thousand was paid to the Supervisory Board of AMAG Austria Metall AG in 2021 (previous year: EUR 621 thousand).

Remuneration for members of the Supervisory Board is determined by the Annual General Meeting, in consideration of responsibility borne, and activities undertaken by the Supervisory Board. In particular, the company's size and organisational structure, and the scope of decisions made by the Supervisory Board, are taken into consideration. In contrast with Management Board compensation, the company's financial position is not relevant to the remuneration of the Supervisory Board and for this reason is not taken into consideration in its remuneration.

The distribution of remuneration between Supervisory Board members is decided by the Supervisory Board.

Headcount

AVERAGE NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENTS)	2021	2020
Industrial workers	1,390	1,328
Salaried employees	758	663
	2,148	1,991

In 2021, the headcount includes a 20 % share of the average workforce at the Aluminerie Alouette joint operation, or 184 employees (131 wage earners, 53 salaried employees) (previous year: 173 employees: 124 wage earners, 49 salaried employees).

05) RESEARCH AND DEVELOPMENT EXPENSES

Research costs are expensed in the period in which they are incurred. Development costs are expensed if the criteria for capitalisation under IAS 38 are not met. A total of EUR 16,707 thousand were recognised as research and development expenses in the reporting year (previous year: EUR 14,645 thousand).

06) AMORTISATION, DEPRECIATION, AND IMPAIRMENT LOSSES

ALLOCATION OF AMORTISATION, DEPRECIATION AND IMPAIRMENT LOSSES IN THE STATEMENT OF PROFIT OR LOSS IN EUR THOUSAND	2021	2020*
Cost of sales	79,261	78,719
Selling and distribution expenses	683	525
Administrative expenses	2,511	1,717
Research and development expenses	1,193	1,199
Other expenses	750	1,292
	84,398	83,451

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The goodwill impairment test carried out as of December 31, 2020 for the AMAG components cash-generating unit was performed again, taking into consideration the change in the strategic corporate planning. In accordance with IAS 8, this led to an impairment loss of EUR 560 thousand to be recognised retrospectively in 2020. In the consolidated statement of profit or loss, this item is reported under "Other expenses". For further information, please refer to section G Adjustments pursuant to IAS 8.

07) ADMINISTRATIVE EXPENSES

Other expenses (administrative expenses) include costs for the audit of the separate financial statements in accordance with local law, as well as of the individual Group companies' IFRS packages, and of the AMAG Austria Metall AG consolidated financial statements by the Group auditor Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

ALLOCATION OF SERVICES GROUP AUDITOR IN EUR THOUSAND	2021	2020
Audits	**279**	273
Other certification services	**49**	86
Other services	**36**	20

08) RESULT FROM EQUITY ACCOUNTED INVESTMENTS

The result from equity accounted investments of EUR 120 thousand (previous year: EUR 123 thousand) relates to the share of the net result after taxes.

09) NET FINANCIAL RESULT

ALLOCATION OF NET FINANCIAL RESULT IN EUR THOUSAND	2021	2020
Interest income	**284**	2,576
Interest expenses	**-10,614**	-10,773
Other financial result	**1,577**	-994
	-8,754	**-9,191**

INTEREST EXPENSES IN EUR THOUSAND	2021	2020
Interest expenses from financial liabilities at amortised cost	**-5,809**	-6,510
Interest expenses from provisions	**-2,087**	-1,923
Interest expenses from non-financial liabilities	**-2,703**	-1,901
Interest expenses from valuation of derivates	**0**	-419
Interest expenses from lease liabilities	**-15**	-20
	-10,614	**-10,773**

Interest expenses from provisions include the net interest expense from provisions for employee benefits, as well as the unwinding of discounts applied to provisions.

The other financial result includes, among other items, income from non-consolidated participating interests and equity investments amounting to EUR 322 thousand (previous year: EUR 329 thousand), effects from the translation from financing amounting to EUR -63 thousand (previous year: EUR -378 thousand) and the ineffective portion of hedging amounting to EUR 1,318 thousand (previous year: EUR -1,117 thousand). Details about the derivatives' effects on the net financial result are presented in section L Financial instruments, in the subsection on derivative financial instruments.

Dividends are recognised when shareholders' rights to receive payment are substantiated.

10) INCOME TAXES

Income taxes comprise income taxes paid and payable, as well as deferred tax. Parts of AMAG Group companies are assessed as tax groups. A tax group also exists for the companies AMAG components Übersee GmbH and AMAG components Karlsruhe GmbH.

INCOME TAXES IN EUR THOUSAND	2021	2020
Current taxes	**28,682**	6,493
Deferred taxes	**-261**	-1,974
	28,421	**4,519**

TAX RECONCILIATION IN EUR THOUSAND	2021	2020*
Earnings before taxes (EBT)	**93,035**	15,578
Tax expenses at 25 %	**23,259**	**3,895**
Not deductible expenses	**1,240**	516
Tax-free income	**-1,010**	-400
Other tax rates	**785**	223
Tax expenses previous years	**-172**	323
Utilisation of unrecognised losses carried forward	**1,182**	30
Tax benefit	**-417**	4
Withholding tax	**3,442**	7
Other	**113**	-80
Current tax expenses	**28,421**	**4,519**
Tax payments	**11,529**	13,400

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Tax assets and tax liabilities are offset when they relate to income taxes levied by the same taxation authority, and a right exists to set off such tax assets against tax liabilities. The income tax liability is based on the net result before taxes, taking deferred tax into account.

In Austria, dividend payments from Group companies to the Group parent company are free of tax. Pursuant to double taxation treaties between Canada and Austria, dividend payments rendered by Aluminium Austria Metall (Québec) Inc. incur 5 % withholding tax.

In the 2021 financial year, USD 80.0 million (previous year: USD 0.0 million) was distributed by the Canadian subsidiary to the Austrian parent company. Withholding taxes of USD 4.0 million (previous year: USD 0.0 million) were incurred on this amount.

If the entire net profit of the Canadian subsidiary of USD 74.7 million (previous year: USD 89.1 million) were to be distributed as a dividend, USD 3.7 million (previous year: USD 4.5 million) of withholding tax would be incurred.

K NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The consolidated statement of cash flows is presented according to the indirect method. A distinction is drawn in the statement between cash flows deriving from operating, investing and financing activities.

The other non-cash expenses and income included in cash flow from operating activities primarily comprise valuation effects from currency translation.

The item "Payments for investments in property, plant and equipment and intangible assets" includes the change in investment liabilities of EUR 2,538 thousand (previous year: EUR -2,176 thousand).

The cash and cash equivalents reported in the statement of cash flows comprise cash on hand of EUR 45 thousand (previous year: EUR 25 thousand) and short-term, highly-liquid investments amounting to EUR 171,386 thousand (previous year: EUR 304,875 thousand).

Cash flow from financing activities includes the following changes in financial liabilities:

		Cashflows				Non-cash changes		
CHANGES IN FINANCIAL LIABILITIES IN EUR THOUSAND	**As of Jan. 1, 2021**	**Acquisition**	**Amortisation**	**Exchange differences**	**Change in scope of consolidation**	**New leases**	**Valuation effects**	**As of Dec. 31, 2021**
Borrowings	610,540	83,356	-182,022	1,484	0	0	-3,009	**510,349**
Lease liabilities	8,937	0	-2,744	-5	0	1,082	10	**7,281**
FINANCIAL LIABILITIES	**619,477**	**83,356**	**-184,766**	**1,479**	**0**	**1,082**	**-2,999**	**517,630**

The assumption of the shareholder loan from the previous owner of AMAG components by AMAG in the amount of EUR 3,000 thousand is presented under valuation effects.

CHANGES IN FINANCIAL LIABILITIES IN EUR THOUSAND	As of Jan. 1, 2020	Cashflows		Non-cash changes				As of Dec. 31, 2020
		Acquisition	Amortisation	Exchange differences	Change in scope of consolidation*	New leases	Valuation effects	
Borrowings	558,663	126,673	-107,311	-1,122	32,484		1,153	**610,540**
Lease liabilities	1,779		-1,129	-20	8,101	187	19	**8,937**
FINANCIAL LIABILITIES	**560,442**	**126,673**	**-108,440**	**-1,141**	**40,585**	**187**	**1,172**	**619,477**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The cash outflows for leases amounted to EUR 4,124 thousand (previous year: EUR 2,036 thousand). The leased assets are reported at carrying amounts of EUR 7,730 thousand (previous year: EUR 9,020 thousand); see section I, Notes to consolidated balance sheet item 1.

L FINANCIAL INSTRUMENTS

Risk management strategies

AMAG Austria Metall AG is exposed to risks arising from changes in exchange rates, interest rates and quoted share prices, which can have an impact on assets, liabilities and planned transactions. The handling of such risks is regulated in Group-wide valid guidelines that are updated constantly and adjusted to reflect changes in circumstances. The aim of financial risk management is to limit market risk by means of the Group's ongoing operating and financial activities. Derivative instruments are deployed solely for hedging purposes.

Liquidity risks

Liquidity risk refers to the risk that the company will not enjoy uninterrupted access to funding in order to settle its financial obligations on time. Accordingly, the Group takes steps to ensure that sufficient cash and cash equivalents are available, and that financing requirements can be met through credit facilities. Liquidity risks are determined by liquidity planning, which is conducted across the Group on the basis of different currencies. Capital measures for the Group companies are planned on the basis of these results.

In order to protect against liquidity risk, both credit guarantee lines and committed credit lines are available to the AMAG Group.

AMAG Austria Metall AG has issued to financing partners the following assurances relating to key financials in connection with various facilities:

Committed lines undrawn as of December 31, 2021, with a total volume of EUR 70 million and a term ending 2022-2024, arranged by means of bilateral contracts with several house banks, include assurances relating to the consolidated equity ratio not exceeding 30 % and, in part, a net financial debt to EBITDA ratio not exceeding 4.0.

Of a committed line which is available for cash advances and/or bank guarantees, which comprises a total volume of EUR 50 million and has a term ending in 2023, and which has been concluded with a house bank, an amount of USD 6 million is drawn at present. This includes covenants relating to the Group's equity ratio exceeding 30 % and the ratio of net debt to EBITDA not exceeding 4.0.

A refinancing facility from OeKB (KRR), undrawn as of December 31, 2021 and with a total volume of EUR 30 million, exists by means of bilateral contracts with two house banks, which include assurances relating to the consolidated equity ratio not exceeding 30 % and a net financial debt to EBITDA ratio not exceeding 4.0 and 3.5 respectively.

A drawn OeKB facility that refinances two financing rounds with a total volume outstanding of EUR 187.5 million and terms ending in 2022-2024 and 2022-2026 respectively, arranged by means of bilateral contracts with several house banks, includes assurances relating to the consolidated equity ratio not exceeding 30 % and a net financial debt to EBITDA ratio not exceeding 3.5 and 4.0 respectively.

A long-term financing transaction (TLTRO) with a volume of EUR 28 million and a maturity of 2022-2025, concluded with a principal bank and in effect as of December 31, 2021, contains covenants relating to the Group's equity ratio of more than 30 %, and the ratio of net financial liabilities to EBITDA of no more than 3.5 and 4.0 respectively.

In order to safeguard the AMAG Group in connection with the COVID-19 pandemic, the covenants relating to the "net financial debt to EBITDA" ratio were suspended for all of the aforementioned financing and lines up to and including 2022.

A EUR 200 million promissory loan note issued in 2018 with terms ending in 2023, 2025 and 2028 includes assurances relating to the consolidated equity ratio exceeding 30 %.

In the aforementioned financing lines, valuation effects from a long-term electricity contract of Alouette are excluded from the calculation of these financial covenants.

As of December 31, 2021, a short-term loan of EUR 50 million whose term ends in 2022 exists with a house bank.

Failure to comply with a covenant entitles the lender to increase the lending conditions or to terminate the respective financing agreement. All assurances were complied with both in relation to the respective cut-off dates and also during the course of the year.

The residual terms of the liabilities are as follows:

RESIDUAL TERMS OF LIABILITIES 2021 IN EUR THOUSAND	Book value	Undiscounted cash flow	With a residual term of less than 1 year	With a residual term of more than 1 but less than 5 years	With a residual term of more than 5 years
Financial liabilities without lease liabilities	510,349	542,143	120,246	334,054	87,843
Lease liabilities	7,281	7,302	1,843	3,565	1,894
Other liabilities and grants without derivatives	6,163	6,163	4,282	1,881	0
Derivatives recognised as non-current liabilities	81,753	81,753	68,253	13,500	0
Trade payables	107,860	107,860	107,860	0	0
	713,407	**745,222**	**302,484**	**353,000**	**89,737**

RESIDUAL TERMS OF LIABILITIES 2020 IN EUR THOUSAND	Book value*	Undiscounted cash flow*	With a residual term of less than 1 year	With a residual term of more than 1 but less than 5 years*	With a residual term of more than 5 years
Financial liabilities without lease liabilities	610,540	648,380	103,464	423,946	120,971
Lease liabilities	8,937	8,986	2,208	4,375	2,403
Other liabilities and grants without derivatives	5,087	5,087	3,614	1,474	0
Derivatives recognised as non-current liabilities	50,144	50,144	44,196	5,949	0
Trade payables	59,111	59,111	59,111	0	0
	733,819	**771,709**	**212,592**	**435,743**	**123,374**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Credit risks

Credit risk and the risk of default by contractual partners is managed by way of credit assessments, credit limits and routine checks. Where appropriate, the Group obtains government export guarantees or guarantees from private credit insurers in order to minimise default risk.

The Group operates exclusively with financial partners with good credit ratings, which also serves to reduce credit risk.

The following risk categories exist at present:

RISK CATEGORY	Description	Expected credit loss
1. Without risk	Low default risk and past counterparty payments on time.	12m ECL
2. Doubtful	Amount is more than 30 days overdue or a significant increase in default risk has occurred since first recognition.	Lifetime ECL
3. In default	Diminished credit standing due to bankruptcy or start of insolvency proceedings.	Lifetime ECL
4. Adjustment	No realistic prospect of recovery. Payment not expected to be collected.	Will be written off

With regard to assets, the reported values of the relevant primary financial instruments represent the maximum credit or default risk. Provisions are formed for all identified risks. The management is of the opinion that no other credit risks above and beyond these will arise.

Trade receivables at the Ranshofen site are measured applying the simplified model (expected credit losses due to all potential default events during the expected term). For this purpose, the requirement for impairment losses is calculated in an impairment matrix applying a past analysis and an estimate of future trends. Those companies of AMAG components measure receivables by means of the Implied Rating Model applying the probabilities of default of the relevant customers as available in Reuters, taking into consideration the payment terms according to the general method. Receivables are only derecognised in the event of insolvency or unsuccessful attempts to enforce claims by taking legal action. Impairment losses are reversed through profit or loss if the reason for the impairment no longer applies or an improvement has occurred. Interest-free or low-interest receivables with an expected residual maturity of over one year are discounted.

Trade receivables that are not yet due are owed mainly by long-term business partners. Creditworthiness is assessed on the basis of internal guidelines. Defaults over the last ten years were evaluated at AMAG to calculate the impairment requirement. The analysis showed that no significant risk exists for receivables with a certain overdue status and the management is of the opinion that this estimation is applicable for the following years. Receivables due from companies in insolvency were written off (EUR 51 thousand; previous year: EUR 9 thousand). Credit insurance has been arranged with an insurance company for a significant proportion of the trade receivables (80 %; previous year: 70 %). An excess is payable in the event of a claim. A maximum of the deductible is recognised as an impairment for an expected credit loss on such receivables. An elevated default risk on receivables more than 90 days overdue was not determined based on an analysis of past experience. For this reason, overdue status beyond 90 days is not regarded as an indicator of a default event having occurred, which would require allocating the receivables to Stage 3.

For more information about valuation allowances in the wake of the COVID-19 pandemic, please refer to the comments in section F Discretionary judgements and estimates.

The following table shows the risk profile of trade receivables based on the impairment matrix:

MATURITIES OF RECEIVABLES IN EUR THOUSAND	2021	2020
Not yet due	**126,547**	**98,114**
Overdue receivables	**27,140**	**15,243**
Less than 30 days overdue	**20,969**	13,469
More than 30 days, but less than 60 days overdue	**3,609**	959
More than 60 days, but less than 90 days overdue	**1,376**	316
More than 90 days overdue	**1,161**	481
More than 180 days overdue	**25**	17
	153,687	**113,357**

None of the other financial receivables are overdue.

Market risks

Currency risks

Currency risk refers to the risk that the value of a financial instrument may change due to exchange rate fluctuations. The Group concludes exchange futures and options transactions (cash flow hedges) in order to limit the currency risk arising from cash flows from operating activities. The fair value of assets and liabilities reported on the balance sheet is hedged using exchange forward transactions and options.

The Group is exposed to currency risk on account of the fact that it operates, and generates revenue, in various countries around the world. Foreign currency receivables and liabilities related to transactions that require disclosure are recognised at the time when the respective contract is entered into, as are undisclosed items, in particular recurring transactions required for operating activities (e.g. anticipated purchases of raw materials and consumables, and revenue).

Production costs at the Ranshofen site are incurred mainly in euros, although also in US dollars, as well as, to a minor extent, in other foreign currencies. From a defined threshold, any imbalance between expenses and revenue is hedged. Costs at the Canadian plant are incurred in US dollars and Canadian dollars as well as in euros, although sales revenues are realised primarily in US dollars. Items not covered by natural hedges are hedged in accordance with the risk position and risk horizon.

Differences in the value-determining factors between the underlying transaction and the hedging instrument creates sources of ineffectiveness. As the basis values of the underlying transaction and the hedging instrument always converge, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting. No ineffectivenesses exist as a consequence.

The table below shows the breakdown of primary financial instruments – comprising trade receivables and payables, loans receivable, borrowings and financial assets – by currency at the end of the reporting period:

		2021		2020*	
NON-DERIVATIVE FINANCIAL INSTRUMENTS/ASSETS	Currency	in EUR thousand	Share	in EUR thousand	Share
	EUR	**237,141**	**67.6 %**	**333,863**	**75.3 %**
	USD	**100,392**	**28.7 %**	101,393	22.9 %
	CAD	**7,787**	**2.2 %**	4,028	0.9 %
	GBP	**4,371**	**1.2 %**	3,476	0.8 %
	DKK	**0**	**0.0 %**	0	0.0 %
	NOK	**56**	**0.0 %**	21	0.0 %
	Other	**999**	**0.3 %**	654	0.1 %
		350,745	**100.0 %**	**443,434**	**100.0 %**
NON-DERIVATIVE FINANCIAL INSTRUMENTS/LIABILITIES	Currency	in EUR thousand	Share	in EUR thousand	Share
	EUR	**549,987**	**87.1 %**	**630,800**	**92.4 %**
	USD	**47,776**	**7.6 %**	43,891	6.4 %
	CAD	**33,711**	**5.3 %**	8,917	1.3 %
	NOK	**1**	**0.0 %**	0	0.0 %
	DKK	**167**	**0.0 %**	14	0.0 %
	GBP	**6**	**0.0 %**	0	0.0 %
	Other	**6**	**0.0 %**	53	0.0 %
		631,653	**100.0 %**	**683,675**	**100.0 %**

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Interest rate risks

This refers to risks associated with changes in the net interest result or present value. Due to the interaction between these types of risks, interest rate risk may not be eliminated entirely. The Group's exposure to risks related to present value affects interest-bearing financial instruments and assets, while net interest income-related risks have an impact on interest expense and income.

At the end of the reporting period the Group had entered into euro-denominated interest rate swaps that qualified as cash flow hedges. AMAG Austria Metall AG pays fixed interest on the notional value of the swap contract and, in return, receives variable interest payments on the same principal amount.

These interest rate swaps offset the impact of future changes in interest rates on the cash flows derived from the underlying variable-rate financial liabilities. The interest rate swaps are reported at fair value on the balance sheet.

Changes in the fair value of interest rate swaps designated as cash flow hedges are recognised in equity under the hedging reserve item. Once interest payments are received in relation to the hedged underlying transaction, the hedging reserve is reclassified and recognised in profit or loss under net interest income/expense.

The economic connection between underlying transaction and hedging instrument is established by comparing the value-determining risk factors. Given complete or approximate convergence of the main value-determining risk factors of the underlying transaction and the hedging instrument, evidence of the economic connection is rendered based on the critical terms match method. In all other cases, depending on the extent of the divergence of the value-determining risk factors in each case, either sensitivity analyses or the characteristics of the dollar offset methods are utilised to evidence the economic connection.

Differences in the value-determining factors between the underlying transaction and the hedging instrument creates sources of ineffectiveness. In the case of designated hedges in the interest rate risk area, no potential sources of ineffectiveness existed at present. As the basis values of the underlying transaction and the hedging instrument always converge, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting. No ineffectivenesses exist for this reason.

A detailed overview of the weighted interest rates applicable at the end of the reporting period is provided below:

INTEREST RATE SUMMARY AS OF DEC. 31, 2021

POSITION	Rate type	Average	Bank accounts	Current	Non-current
Deposits	Fixed	-	-	-	-
	Variable	0.28 %	0.35 %	-0.08 %	-
	Average	**0.28 %**	**0.35 %**	**-0.08 %**	**-**
Financial liabilities	Fixed	0.98 %	-	0.48 %	1.15 %
	Variable	0.18 %	-	-	0.21 %
	Average	**0.77 %**	**-**	**0.39 %**	**0.89 %**

INTEREST RATE SUMMARY AS OF DEC. 31, 2020

POSITION	Rate type	Average	Bank accounts	Current	Non-current
Deposits	Fixed	-	-	-	-
	Variable	0.07 %	0.28 %	0.16 %	-
	Average	**0.07 %**	**0.28 %**	**0.16 %**	**-**
Financial liabilities	Fixed	0.93 %	-	0.31 %	1.00 %
	Variable	0.60 %	-	0.00 %	0.60 %
	Average	**0.77 %**	**-**	**0.31 %**	**0.80 %**

No effects arose from the reform of interbank offered rate benchmarks (IBOR reform).

Commodity price risks

In the commodities area, AMAG Austria Metall AG is particularly exposed to price risks arising from aluminium. These derive from the fact that the AMAG Group produces and processes aluminium.

Resultant purchasing and sales risks relating to price-change risks for future purchases and stocks of raw materials as well as sales of aluminium products (primary aluminium, cast alloys, rolled products) of raw materials listed on the London Metal Exchange (LME) are hedged deploying marketable forward commodity transactions and commodity options as hedging instruments.

The aluminium price traded on the London Metal Exchange (LME) comprises a separately identifiable price component in the case of both products manufactured at AMAG (primary aluminium, foundry products, rolled products) as well as raw materials employed such as primary aluminium and aluminium scrap. This is contractually agreed as a separate component, plus any premiums (for transport etc.), and mark-ups for processing as well as grades and grade discounts (in the case of scrap). Such identifiability also remains for products in the production process (inventories). This component can be valued reliably given the listing of the aluminium price on the LME. This is the most important component exposed to price risks. The share of value changes in the aluminium price as a proportion of changes to the fair value of inventories cannot be estimated, as the aluminium price can be subject to very sharp fluctuations (including on the relevant reporting date).

Hedges of future cash flows from the sale of aluminium products of Aluminerie Alouette Inc. are classified as cash flow hedges.

All stocks of aluminium components are hedged against aluminium price risk by means of either derivative financial instruments or customer contracts. The price change risk resulting from such stocks is managed in a dynamic process, as aluminium stocks change constantly due to new additions and disposals. AMAG reports the dynamic hedging of its stocks hedged by derivative financial instruments as fair value hedges in its financial statements, to reduce the profit or loss volatility resulting from the constant measurement of the derivative financial instruments deployed. Fair value hedges are designated with a one-month period and the designated hedges are re-designated after each month to reflect the month-on-month change in the aluminium stock as an underlying transaction together with the volume change in hedging instruments as part of hedge accounting.

Differences in the value-determining risk factors between the underlying transaction and the hedging instrument creates sources of ineffectiveness. In the case of designated hedges in the raw materials

risk area, no potential sources of ineffectiveness exist at present, apart from the potential ineffectiveness from taking into consideration the LME premium expectation (as described above). As the basis values of the underlying transaction and the hedging instrument always converge, and the intrinsic value is always designated when deploying options as hedging instruments, the accounting hedge ratio always amounts to 1:1. In other words, the designated quantity or designated volume of the hedging instrument corresponds to the designated quantity or designated volume of the underlying transaction. The hedge ratio is adjusted if the hedge ratio exhibits a disequilibrium which would result in ineffectiveness, creating an accounting consequence irreconcilable with the purpose of hedge accounting.

Derivatives recognised at fair value through profit or loss cannot be classified as cash flow or fair value hedges under current accounting standards, although they serve as hedges against the Group's operating risk exposures.

Due to the long risk horizon in some cases, such risks are hedged for periods of up to three years (up to six years in the case of derivatives not forming part of hedges). In the commodities price hedging area, too, derivatives are deployed only to hedge raw material price risk if they can be clearly accounted for and measured.

For risks based on fluctuating premiums in connection with aluminium purchasing, premium derivatives are arranged as required. For commodity price risk connected with copper purchases, copper derivatives are arranged to hedge the future copper purchase where required. For commodity price risk connected with alumina purchases, alumina derivatives are arranged to hedge the future alumina purchase where required. Such derivatives are recognised as cash flow hedges.

SENSITIVITY ANALYSES AS OF DEC. 31, 2021 (IN EUR THOUSAND)

Foreign exchange rate risks	**Change**	**EUR**	**USD**	**CAD**	**Other**	**Total**
Change in net financial liabilities due to an exchange rate reduction by	10 %	0	3,855	-3,413	109	**551**
Effect to profit or loss from foreign currency transactions due to an exchange rate reduction by	10 %	-2,764	3,679	0	116	**1,031**
Effect to other comprehensive income from foreign currency transactions due to an exchange rate reduction by	10 %	-29,252	7,419	5,686	0	**-16,147**
Interest rate risks	**Change**	**EUR**	**USD**	**CAD**	**Other**	**Total**
Change in net interest result due to an interest rate increased by	1 %	582	445	26	11	**1,064**
Effect to other comprehensive income from interest rate swap due to an interest rate increased by	1 %	580	0	0	0	**580**
Commodity price risks	**Change**				**AL**	**Total**
Change in inventory write-down due to an LME aluminium price reduction by	10 %				-10,379	**-10,379**
Effect to profit or loss from commodity price hedging due to an aluminium price reduction by	10 %				-7	**-7**
Effect to other comprehensive income from commodity price hedging due to an LME reduction by	10 %				522	**522**

SENSITIVITY ANALYSES AS OF DEC. 31, 2020 (IN EUR THOUSAND)

Foreign exchange rate risks	**Change**	**EUR**	**USD**	**CAD**	**Other**	**Total**
Change in net financial liabilities due to an exchange rate reduction by	10 %	0	6,061	-2,627	106	**3,539**
Effect to profit or loss from foreign currency transactions due to an exchange rate reduction by	10 %	-5,820	6,081	0	180	**442**
Effect to other comprehensive income from foreign currency transactions due to an exchange rate reduction by	10 %	-19,251	2,600	5,469	0	**-11,181**
Interest rate risks	**Change**	**EUR**	**USD**	**CAD**	**Other**	**Total**
Change in net interest result due to an interest rate increased by	1 %	1,194	602	40	11	**1,846**
Effect to other comprehensive income from interest rate swap due to an interest rate increased by	1 %	750	0	0	0	**750**
Commodity price risks	**Change**				**AL**	**Total**
Change in inventory write-down due to an LME aluminium price reduction by	10 %				-6,452	**-6,452**
Effect to profit or loss from commodity price hedging due to an aluminium price reduction by	10 %				46	**46**
Effect to other comprehensive income from commodity price hedging due to an LME reduction by	10 %				2,428	**2,428**

Primary financial assets and liabilities

Financial assets and liabilities comprise other non-current assets and financial assets, trade receivables and payables, other receivables and payables, cash and cash equivalents, and interest-bearing borrowings.

Financial assets in the meaning of IFRS 9 are classified either as financial assets at amortised cost, or as measured at fair value in other comprehensive income (with or without recycling), or as measured at fair value through profit or loss. This classification occurs on the basis of the company's business model for the management of financial assets and the characteristics of the contractual cash flows from the financial asset.

Assets are recognised at amortised cost that are held as part of a business model whose objective is to hold financial assets for the receipt of contractual cash flows exclusively comprising interest and principal payments. The "hold" business model is mainly applied at AMAG.

Financial assets are measured at fair value on initial recognition. Settlement date accounting is normally applied to standard market purchases and sales of financial instruments. Price offers by banks or similar pricing models are used to measure the fair value of financial instruments at the end of a reporting period. The fair values of financial assets generally correspond to their market prices on the balance sheet date. In the absence of quoted prices on active markets, they are calculated applying generally accepted valuation models and current market parameters (especially interest rates, exchange rates and counterparties' credit ratings). To this end, the cash flows generated by the financial instruments are discounted to the balance sheet date.

Derecognition of financial assets

Financial assets are derecognised if the contractual rights conferred by the assets expire, or the Group has transferred its contractual rights to receive cash flows from the assets, or assumed a contractual obligation to pay the cash flows to a third party immediately under an agreement that meets the conditions set out in IFRS 9 3.2 (a so-called "pass-through arrangement"), and has either (a) transferred substantially all the risks and rewards entailed in ownership of the financial asset or (b) neither transferred nor retained substantially all the risks and rewards entailed in ownership of the financial asset, but has transferred control of the asset.

If the Group transfers its contractual rights to receive cash flows from an asset, or enters into a pass-through arrangement, and neither transfers nor retains substantially all the risks and rewards entailed in ownership of the financial asset, but retains control of the transferred asset, then the Group continues to recognise the asset to the extent of its continuing involvement in the latter. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expires.

Firm commitment

When an off-balance-sheet firm commitment (customer order) is designated as a hedged item, the subsequent cumulative change in the fair value of the commitment attributable to the hedged risk is recognised as an asset or liability through profit or loss.

Liabilities

Liabilities are recognised at amortised cost in accordance with IFRS 9, applying the effective interest method. The effective interest method amortises the difference between the cost and the nominal value, applying the effective interest rate. The effective interest rate is the rate that discounts the estimated future cash flows until maturity, or the next market price-oriented interest rate adjustment date, to the current carrying amount of the financial asset or financial liability.

Derivative financial instruments

Exclusively standard market instruments with sufficient market liquidity and from business partners with low default risk are utilised for hedging. Where material, measurement takes into account counterparty credit risk as well as the company's own credit risk.

Embedded derivatives

Derivatives embedded in other financial instruments or host contracts are treated as separate derivatives if their risks and characteristics are not closely related to those of the host contracts, and they are in any case not measured at fair value.

Cash flow hedges

Foreign exchange derivatives are employed to hedge cash flows from outstanding and anticipated foreign currency transactions. Additionally, raw material price risks (in relation to aluminium and, to a minor extent, copper) arising from expected and highly probable forecast transactions are hedged using commodity derivatives. Euro-denominated interest rate swaps serve as a hedge against interest rate risk. Fixed interest is paid on the notional value of the swap contract and, in return, the Group receives variable interest payments on the same principal amount. These interest rate swaps offset effects on the cash flows of the underlying variable rate financial liabilities due to future changes in interest rates, and the fair values of the interest rate derivatives derive from the change in the yield curve that has occurred since the start of the term.

In the case of options, only the intrinsic value of the derivative is designated as a hedging instrument. Changes in the fair value of this intrinsic value are recognised in the hedging reserve, and changes in the fair value of the derivative are carried directly to equity in the fair value reserve. When hedging transaction-related underlying transactions, on the date when the hedge transaction occurs the fair value reserve is either released against the purchase costs of the non-financial asset or in other cases reclassified in profit or loss through other comprehensive income. If periodic underlying transactions

are hedged, the fair value reserve is released systematically in profit or loss over the designation period, as a matter of principle. In accordance with IFRS 9B6.5.31, systematic release in profit or loss is waived if the amount of the fair value reserve is attributable to combinations of call and put options whose fair value amounted to zero on the designation date.

In the case of a cash flow hedge, the effective portion of the change in fair value is recognised in other comprehensive income, under the hedging reserve item, whereas the ineffective portion is recognised immediately in profit or loss, under the cost of materials. However, if a hedge of a forecast transaction results in the recognition of a non-financial asset or non-financial asset liability, the amounts recognised in other comprehensive income are recorded as part of the cost of that non-financial asset or non-financial asset liability at the time of recognition. In all other cases, amounts deferred in equity are recognised in profit or loss on the date, or dates, on which the hedged cash flows affect the result.

The Group uses forward contracts and options to hedge part of future sales of its share of production from Aluminerie Alouette Inc. The derivatives used for this purpose are classified as cash flow hedges.

Derivative financial instruments qualifying as cash flow hedges and recognised in the hedging reserve are as follows:

		2021			2020		
CURRENCY OR COMMODITY		**Longest term**	**Nominal values *)**	**Market values in EUR thousand**	**Longest term**	**Nominal values *)**	**Market values in EUR thousand**
Currency derivatives							
Foreign exchange forwards							
USD	Sale	**12/2025**	**325,421**	**-13,092**	03/2025	225,531	2,106
GBP	Sale				07/2021	212	-3
JPY	Sale	**12/2025**	**895,914**	**501**	12/2025	1,191,484	446
CAD	Buy	**12/2024**	**73,000**	**1,047**	12/2023	76,000	1,592
USD	Buy	**11/2023**	**84,000**	**-327**	06/2021	31,898	-227
Commodity derivatives							
Forward contracts							
AL	Sale	**12/2024**	**45,730**	**-7,670**	12/2021	26,230	-794
CU	Sale				01/2021	25	3
CU	Buy				12/2021	375	477
TE	Buy	**01/2023**	**89,000**	**-67**	10/2021	50,000	0
PR	Buy	**01/2022**	**475**	**67**	01/2022	5,650	-251
Options							
AL	Sale	**12/2023**	**48,000**	**-8,529**	12/2023	44,400	13
Interest rate derivatives							
Interest rate swaps							
EUR		**12/2024**	**30,000**	**-150**	12/2024	40,000	-1,053
Embedded derivative							
AL	Sale	**12/2029**	**181,650**	**23,123**	12/2024	90,825	37,786

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE) and premium (PR).

	2021			2020		
CASH FLOW HEDGES IN EUR THOUSAND	**Receivable**	**Liability**	**Total**	**Receivable**	**Liability**	**Total**
Currency derivatives	**2,083**	**-13,954**	**-11,871**	6,553	-2,639	3,914
Commodity derivatives	**2,117**	**-18,316**	**-16,199**	2,285	-2,837	-552
Interest rate derivatives		**-150**	**-150**		-1,053	-1,053
Embedded derivative	**23,123**		**23,123**	37,786		37,786
TOTAL	**27,323**	**-32,420**	**-5,096**	**46,624**	**-6,529**	**40,095**

		Term of 1 year		Term of 1 to 3 years		Term of more than 3 years	
CURRENCY OR COMMODITY 2021 IN EUR THOUSAND		**Nominal *)**	**Average forward rate**	**Nominal *)**	**Average forward rate**	**Nominal *)**	**Average forward rate**
Currency derivatives							
Foreign exchange forwards							
USD	Sale	221,532	1.1841	97,109	1.2326	6,780	1.2023
JPY	Sale	227,100	122.5443	527,500	122.0958	141,314	121.2338
CAD	Buy	34,000	1.3152	39,000	1.2961		
USD	Buy	83,451	1.1277	549	1.2037		
Commodity derivatives							
Forward contracts							
AL	Sale	30,715	1,630	15,015	1,670		
TE	Buy	82,000	312	7,000	311		
PR	Buy	475	134	0	0		
Options							
AL	Sale	30,000	1,632	18,000	1,655		
Interest rate derivatives							
Interest rate swaps							
EUR		10,000	-0.95%	20,000	-0.71%		
Embedded derivative							
AL	**Sale**					**181,650**	**2,432 USD/ton**

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE) and premium (PR).

		Term of 1 year		Term of 1 to 3 years		Term of more than 3 years	
CURRENCY OR COMMODITY 2020 IN EUR THOUSAND		**Nominal *)**	**Average forward rate**	**Nominal *)**	**Average forward rate**	**Nominal *)**	**Average forward rate**
Currency derivatives							
Foreign exchange forwards							
USD	Sale	119,976	1.1911	98,244	1.2578	7,311	1.3599
GBP	Sale	212	0.9123				
JPY	Sale	144,570	122.9270	604,000	122.4159	442,914	121.7079
CAD	Buy	36,000	1.3111	40,000	1.3329		
USD	Buy	31,898	1.2170				
Commodity derivatives							
Forward contracts							
AL	Sale	26,230	1,616				
CU	Sale	25	6,322				
CU	Buy	375	6,309				
TE	Buy	50,000	252				
PR	Buy	5,175	130	475	134		
Options							
AL	Sale	20,400	1,646	24,000	1,644		
Interest rate derivatives							
Interest rate swaps							
EUR		10,000	-0.98%	20,000	-1.02%	10,000	-1.01%
Embedded derivative							
AL	**Sale**					**90,825**	**2,054 USD/ton**

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL), copper (CU), alumina (TE) and premium (PR).

The following underlying transactions were hedged:

	2021		2020	
RISK	Change in value of underlying transaction	Amount of reserve	Change in value of underlying transaction	Amount of reserve
Currency risks				
Future sale	**-12,591**	**12,591**	2,550	-2,550
Future purchase	**720**	**-720**	1,365	-1,365
Commodity price risks				
Future sale	**6,924**	**58,726**	37,008	11,168
Future purchase	**0**	**-0**	226	-226
Interest rate risks				
Future interest paid	**-150**	**150**	-1,053	1,053
less deferred tax from hedging reserve		**-18,703**		-2,494
TOTAL	**-5,096**	**52,044**	**40,095**	**5,587**

The cumulative valuation adjustment of the underlying transaction from the cash flow hedge accounting is consistent with the value change of the derivative plus the ineffectiveness. The change in value of the embedded derivative corresponds to the level of the reserve less the ineffectiveness and the initial measurement amount.

The table below shows the changes in the hedging reserve (gross) in accordance with IFRS 9:

HEDGING RESERVE 2021 IN EUR THOUSAND	Commodity derivatives	Currency derivatives	Interest rate derivatives	Embedded derivative	Total
Change in fair value recognised directly in other comprehensive income (OCI)	-31,240	-15,408	842	-43,404	**-89,210**
Reclassification from OCI recognised through profit or loss	19,016	-2,196		11,902	**28,722**
Revenue	20,506	2,356		5,951	**28,813**
Materials	-1,490	-3,715		5,951	**746**
Other operating expenses		-898		0	**-898**
Net financial income (expenses)		61			**61**

HEDGING RESERVE 2020 IN EUR THOUSAND	Commodity derivatives	Currency derivatives	Interest rate derivatives	Embedded derivative	Total
Change in fair value recognised directly in other comprehensive income (OCI)	-11,862	17,343	53	638	**6,172**
Reclassification from OCI recognised through profit or loss	-2,568	10,804		160	**8,396**
Revenue	-2,351	8,296		80	**6,025**
Materials	-217	2,019		80	**1,882**
Other operating expenses		489		0	**489**

Fair value hedges

Forward transactions designated as fair value hedges are used for the purpose of aluminium inventory hedging. Physical stocks are hedged against exchange rate and price movements (portfolio hedging of the aluminium price portion of inventories). Changes in the market value of these instruments are recorded as raw materials and consumables used.

In a fair value hedge, both the underlying transaction in relation to the hedged risk and the derivative hedging instrument are measured at fair value, and changes in the latter are recognised in profit or loss. Subsequent measurement is at market value, as a matter of principle.

The following derivative financial instruments qualify as fair value hedges, and are recognised in profit or loss:

		2021			2020		
CURRENCY OR COMMODITY		**Longest term**	**Nominal values *)**	**Market values in EUR thousand**	**Longest term**	**Nominal values *)**	**Market values in EUR thousand**
Commodity derivatives							
Forward contracts							
AL	Sale	**01/2022**	**78,824**	**13,026**	02/2021	77,999	6,960
AL	Buy	**12/2023**	**20,224**	**-2,368**	12/2021	12,674	-496
Hedged firm commitments							
AL	Sale	**12/2023**	**20,224**	**2,368**	02/2021	12,674	496
AL	Buy	**01/2022**	**78,824**	**-13,026**	12/2021	77,999	-6,960

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL)

	2021			2020		
FAIR VALUE HEDGES IN EUR THOUSAND	**Receivable**	**Liability**	**Total**	**Receivable**	**Liability**	**Total**
Commodity derivatives	**-15,394**	**15,394**	**0**	7,455	-7,455	0

The following underlying transactions were hedged:

	2021		2020	
RISK	**Change in value of hedged item**	**Book value of hedged item**	**Change in value of hedged item**	**Book value of hedged item**
Commodity price risks				
Inventories	**15,367**	**179,618**	8,524	116,605

The cumulative valuation adjustment of the underlying transaction from the fair value hedge accounting concurs with the value change of the hedge.

Fair value reserve

FAIR VALUE RESERVE IN EUR THOUSAND	2021	2020
As of Jan. 1	**-286**	-43
Changes in fair value	**-613**	-243
AS OF DEC. 31	**-899**	**-286**

Derivative financial instruments

Foreign exchange and commodity (aluminium) derivatives that do not meet the requirements for hedge accounting under IFRS 9 in terms of documentation and effectiveness must be classified as measured at fair value. Fair value changes in these derivative financial instruments are recognised through profit or loss.

Derivative financial instruments qualifying as measured at fair value through profit or loss:

		2021			2020		
CURRENCY OR COMMODITY		**Longest term**	**Nominal values *)**	**Market values in EUR thousand**	**Longest term**	**Nominal values *)**	**Market values in EUR thousand**
Currency derivatives							
Foreign exchange forwards							
JPY	Buy	**09/2023**	**151,000**	**-3**			
USD	Buy	**12/2023**	**41,928**	**590**			
EUR	Sale				12/2023	66,371	-4,217
GBP	Sale	**03/2022**	**5,384**	**-77**	04/2021	4,661	-23
JPY	Sale	**09/2023**	**296,937**	**91**	12/2021	405,600	72
USD	Sale	**12/2023**	**45,118**	**-3,454**	12/2023	74,587	48
NOK	Sale	**01/2022**	**600**	**-1**	03/2021	1,300	-2
Commodity derivatives							
Forward contracts							
AL	Buy	**12/2023**	**250,701**	**15,516**	11/2023	408,176	42,286
AL	Sale	**05/2022**	**250,701**	**-16,396**	10/2021	408,176	-57,680

*) The nominal values of currencies are stated in thousands, and those of commodities in tonnes of aluminium (AL)

The nominal values comprise the gross sum of the purchase and sales prices of the derivative financial transactions. The value of commodity derivatives is stated in tonnes in the transaction currency.

The market values are based on the values at which the respective transactions are traded as at the end of the reporting period. The market values of commodity derivatives reflect official aluminium prices listed on the London Metal Exchange (LME) at the end of the reporting period. The fair value of forward derivatives is calculated on the basis of the forward rate as at the end of the reporting period.

Recognised models are applied to determine option prices. The market valuation of interest rate swaps, interest rate caps and forward rate agreements is performed on the basis of generally accepted mathematical measurement models. A hedge's term is determined by that of its underlying transaction, as a matter of principle.

Additional disclosures about financial instruments pursuant to IFRS 7:

2021 FINANCIAL INSTRUMENTS PURSUANT TO IFRS 7 IN EUR THOUSAND	Fair value hedge	Cash flow hedge	Mandatorily at fair value through profit or loss	Equity investments at fair value through OCI	At amortised cost	Not a financial instrument	Book value as of Dec. 31, 2021	Fair value as of Dec. 31, 2021
Assets								
Other non-current assets and financial assets	3	31,515	268	1,597	4,321	5	37,708	37,708
Trade receivables	0	0	0	0	153,687	0	153,687	153,687
Current tax assets	0	0	0	0	0	26	26	26
Other current assets	2,439	2,646	25,122	0	17,369	25,752	73,328	73,328
Contract assets	0	0	0	0	2,340	0	2,340	2,340
Cash and cash equivalents	0	0	0	0	171,431	0	171,431	171,431
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	390,519	0	390,519	392,787
Non-current lease liabilities	0	0	0	0	5,483	0	5,483	5,483
Other non-current liabilities and grants	5	11,947	1,549	0	1,881	58,417	73,798	73,798
Interest-bearing current financial liabilities (without leases)	0	0	0	0	119,830	0	119,830	120,148
Current lease liabilities	0	0	0	0	1,798	0	1,798	1,798
Trade payables	0	0	0	0	107,860	0	107,860	107,860
Current tax liabilities	0	0	0	0	0	20,947	20,947	20,947
Other current liabilities and grants	13,096	27,311	27,846	0	4,282	45,509	118,044	118,044

2020 FINANCIAL INSTRUMENTS PURSUANT TO IFRS 7 IN EUR THOUSAND	Fair value hedge	Cash flow hedge	Mandatorily at fair value through profit or loss	Equity investments at fair value through OCI	At amortised cost*	Not a financial instrument	Book value as of Dec. 31, 2020*	Fair value as of Dec. 31, 2020*
Assets								
Other non-current assets and financial assets	0	29,942	91	1,528	3,018	0	34,580	34,580
Trade receivables	0	0	0	0	113,357	0	113,357	113,357
Current tax assets	0	0	0	0	0	801	801	801
Other current assets	7,117	16,682	22,937	0	18,843	16,260	81,839	81,839
Contract assets					1,788		1,788	1,788
Cash and cash equivalents	0	0	0	0	304,899	0	304,899	304,899
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	508,467	0	508,467	520,693
Non-current lease liabilities	0	0	0	0	6,749	0	6,749	6,749
Other non-current liabilities and grants	0	3,016	2,933	0	1,474	38,593	46,016	46,016
Interest-bearing current financial liabilities (without leases)	0	0	0	0	102,074	0	102,074	103,882
Current lease liabilities	0	0	0	0	2,188	0	2,188	2,188
Trade payables	0	0	0	0	59,111	0	59,111	59,111
Current tax liabilities	0	0	0	0	0	3,728	3,728	3,728
Other current liabilities and grants	653	3,513	40,030	0	3,614	39,804	87,613	87,613

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

Cash and cash equivalents, financial instruments, and trade receivables and other assets generally have short terms. For this reason, the carrying amounts for these items are approximately the same as the respective fair value. Financial instruments not categorised in accordance with IFRS 7 include financial assets and liabilities measured at fair value as well as those recognised at amortised cost.

In general, trade payables and other current liabilities have terms of less than one year, and the recognised values are approximations of their respective fair value. The fair values of bank borrowings and other financial liabilities are calculated as the present values of the related payments on the basis of the respective yield curve, taking account of the Group's credit risk exposure.

The derivatives are divided into the following categories in accordance with IFRS 9:

DERIVATIVES WITH POSITIVE FAIR VALUE	2021		2020	
IN EUR THOUSAND	Long-term	Short-term	Long-term	Short-term
Derivatives mandatorily at fair value through profit or loss	**268**	**25,122**	91	22,937
Fair value hedge derivatives	**3**	**2,439**	0	7,117
Cash flow hedge derivatives	**31,515**	**2,646**	29,942	16,682
TOTAL	**31,786**	**30,208**	**30,033**	**46,735**

DERIVATIVES WITH NEGATIVE FAIR VALUE	2021		2020	
IN EUR THOUSAND	Long-term	Short-term	Long-term	Short-term
Derivatives mandatorily at fair value through profit or loss	**1,549**	**27,846**	2,933	40,030
Fair value hedge derivatives	**5**	**13,096**	0	653
Cash flow hedge derivatives	**11,947**	**27,311**	3,016	3,513
TOTAL	**13,500**	**68,253**	**5,949**	**44,196**

Derivatives with positive fair values are reported on the balance sheet under the other assets item, and derivatives with negative fair values are reported under other liabilities and grants.

Net gains and losses by measurement categories

NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS IN EUR THOUSAND	2021	2020
Hedging instruments mandatorily at fair value through profit or loss	**3,275**	-1,016
Fair value through other comprehensive income	**322**	329
Liabilities at amortised costs	**-2,959**	190
	638	**-496**

The net profit/loss from financial instruments includes dividends received, but not profit attributable to non-controlling interests, or interest expense and interest received. Impairment losses and reversals of impairment losses, foreign exchange gains and losses, gains and losses on disposals, and other changes in the fair values of financial instruments recognised in profit or loss are included in the calculation of net profit/loss from financial instruments.

Gains and losses from derivative financial instruments used to hedge operating risk, which are offset by expenses under raw material and consumables and by revenue, are not included in net profit/loss from financial instruments.

The measurement categories are as follows:

	2021				2020*			
MEASUREMENT CATEGORIES IN EUR THOUSAND	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
ASSETS								
Other non-current assets and financial assets	**0**	**2,411**	**30,971**	**33,383**	0	2,187	29,374	31,561
Other current assets	**0**	**30,208**	**0**	**30,208**	0	36,796	9,940	46,735
LIABILITIES								
Interest-bearing non-current financial liabilities	**0**	**392,787**	**0**	**392,787**	0	519,513	1,180	520,693
Other non-current liabilities and grants	**0**	**13,500**	**0**	**13,500**	0	5,949	0	5,949
Interest-bearing current financial liabilities	**0**	**120,148**	**0**	**120,148**	0	103,882	0	103,882
Other current liabilities and grants	**0**	**62,002**	**6,251**	**68,253**	0	44,196	0	44,196

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures (see section G in the consolidated financial statements).

The Group applies the following hierarchy to determine and report the fair value of financial instruments for each valuation:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Methods in which all inputs that have a material effect on the reported fair value are directly or indirectly observable. The transactions outlined below are recognised at this level:

Forward currency transactions:
In forward currency transactions, a specified amount of a certain currency is exchanged for an amount in another currency at an agreed exchange rate on a particular date. Both of the cash flows arising at the maturity date are recognised at present value on the basis of the yield curve for each transaction currency. The present value of the forward currency transaction comprises the difference between the two cash flows discounted to their present value and translated into the reporting currency applying the exchange rates. The exchange rates and the yield curve are applied as inputs.

Interest rate swap:
Interest rate swaps involve the exchange of a floating interest rate for a fixed rate. Measurement entails calculating the present value of the variable interest payments and the present value of the fixed interest payments. The present value of the interest rate swap is the difference of the two cash flows discounted to present value over the term of the transaction. The inputs comprise 3-month Euribor and the yield curve.

Commodity futures:
The value of these futures is the difference between the contract price and the aluminium price quoted on the London Metal Exchange (LME) at the maturity date of the transaction. The inputs are the closing price of aluminium price as quoted on the LME, including the term structure, as well as the currency forward structure curve (USD to EUR).

Commodity options:
The Black-Scholes model is applied in the valuation of commodity options. The key inputs are the closing price of aluminium price as quoted on the LME, including the term structure, the currency forward structure curve (USD to EUR), and aluminium price volatility data.

Alumina and premium derivatives:
The valuation of the alumina and premium business derives from the difference between the contract price and the final quotation of the alumina or premium price according to the broker on the respective due date of the transaction. The closing prices of the alumina or premium price according to the broker and the currency forward structure curve (USD to EUR) are applied as inputs.

Level 3: Methods based on input parameters that have a material effect on fair value and are not based on observable market data.

The measurement of the participating interests was not based on observable data, but instead on company estimates, and is consequently allocated to Level 3.

Assets measured at a fair value determined in accordance with Level 3 in the course of a subsequent measurement relate to the embedded derivative included in the electricity supply agreement for the Alouette smelter.

Regarding the measurement of the liability relating to callable non-controlling interests, please see section F Accounting judgements and estimates.

Electricity contract concluded by Aluminerie Alouette Inc.:
Alouette has an electricity contract with a state-owned utility that directly ties the rate to be paid by Alouette to the market price of aluminium under a contractual pricing formula.

The contract contains an embedded derivative due to the dependency of the electricity price on the aluminium price. This derivative is designated as a hedging instrument as part of cash flow hedges. The fair value of the derivative is measured on the basis of a model. Given the monopolistic electricity market in Canada, no liquid electricity market exists in the conventional sense (a mark-to-market price is not directly observable). A forward price model is consequently employed to value the derivative, applying an electricity reference price, related yield curves, forward aluminium prices and forward foreign currency exchange rates.

In order to obtain a market-based valuation of the contract, the present value of future electricity payments is subsequently calculated applying forward aluminium prices plus a premium (Midwest premium) based on the expected term of the electricity contract and compared with the present value of future electricity payments based on Alouette's reference electricity price taking into account USD to CAD forward structures. The difference calculated in this manner provides a model-based valuation of the embedded derivative.

The derivative's positive fair value on initial measurement was classified as a public subsidy (from the Government of Québec), and reported under other non-current and current liabilities accordingly. The subsidy is released through profit or loss in line with the expenses as expected according to the terms in the contract.

The fair value of the embedded derivative in the electricity purchasing contract of Aluminerie Alouette Inc. is based on Level 3 fair value measurement. The change in the value of the embedded derivative is shown below:

DEVELOPMENT OF EMBEDDED DERIVATIVE IN EUR THOUSAND	2021	2020
As of Jan. 1	**37,786**	45,200
Addition	**29,486**	9,410
Currency translation differences	**1,117**	-2,842
Changes in fair value	**-43,405**	638
Recycling	**-1,861**	-14,620
AS OF DEC. 31	**23,123**	**37,786**
thereof current	**-6,251**	9,940

The addition results from the extension of the estimate for the term of the electricity contract by five years until December 31, 2029 (previous year: extension for one year). Further details are provided in section F Accounting judgements and estimates.

The impact of a change in the aluminium price on measurement is outlined below:

SENSITIVITY IN EUR THOUSAND	2021		2020	
	+10 %	**-10 %**	**+10 %**	**-10 %**
Other non-current assets and financial assets	**-35,331**	**35,331**	-12,135	12,806
Other current assets	**-5,725**	**5,725**	-3,764	3,764

The effect of a change in the derivative's term on the measurement is presented below:

SENSITIVITY IN EUR THOUSAND	2021	2020	
	1 year shorter	**1 year longer**	**1 year shorter**
Other non-current assets and financial assets	**-6,476**	8,053	-8,780

M CONTINGENT LIABILITIES AND GUARANTEES

Legal proceedings

As at the end of the reporting period, no legal proceedings were pending that represented risks beyond those arising from normal business operations. In addition, the Group was unaware as of the reporting date of any legally relevant circumstances which could lead to the instigation of such proceedings.

Supplementary information

SECURITIES AND GUARANTEES 2021 IN EUR THOUSAND	2021	2020
Securities and guarantees	7,166	3,481
	7,166	3,481

The securities and guarantees mainly relate to bank guarantees for public institutions (EUR 5,554 thousand, previous year: EUR 3,131 thousand). A provision of EUR 636 thousand (previous year: EUR 831 thousand) has been formed for the same matter.

Contingent liabilities are not shown on the balance sheet, apart from those recognised in accordance with IFRS 3 (details are included in section F Accounting judgements and estimates). They are disclosed when the possibility of an outflow of resources embodying economic benefits cannot be excluded, but the criteria for the recognition of a provision are not met.

Contingent assets are disclosed in the consolidated financial statements only if an inflow of resources embodying economic benefits is probable. No contingent receivables exist at present.

N RELATED PARTY DISCLOSURES

All of the transactions under this item occur on an arm's length basis.

The following remuneration was granted to Supervisory and Management Board members, and to managing directors:

REMUNERATION 2021 IN EUR THOUSAND	Supervisory Board members	Management Board members	Directors	Total
Benefits	638	2,710	2,734	6,082
Post-employment benefits	0	172	163	335
	638	2,881	2,897	6,417

REMUNERATION 2020 IN EUR THOUSAND	Supervisory Board members	Management Board members	Directors	Total
Benefits	621	2,124	1,887	4,632
Post-employment benefits	0	165	201	366
	621	2,289	2,088	4,998

The Management Board contracts include a long-term performance-based component. The long-term variable performance bonus is calculated for each Management Board member until the end of the respective contract term. It is based on the future trend in the value of the company's equity. For the Management Board's long-term variable performance bonus, which depends on future developments and the realisation of key performance indicators, precautions in the amount of EUR 2,520 thousand plus EUR 182 thousand for ancillary wage costs (previous year: EUR 0 thousand) were recognised in the statement of profit or loss in the current financial year.

No loans have been extended to Management and Supervisory Board members, and no guarantees have been given on their behalf. No other transactions – and, in particular, no purchase contracts involving assets of significant value – have been entered into with related parties.

The services purchased at Speditionsservice Ranshofen Ges.m.b.H. relate to freight and forwarding services. The rendered services concern rentals of operating buildings. The services procured at RLB Oberösterreich AG derive from interest payments and commissions for loans granted.

Furthermore, committed credit lines of RLB Oberösterreich exist in an amount of EUR 30,000 thousand (previous year: EUR 30,000 thousand).

Supplier relationships

SUPPLY RELATIONSHIP 2021 IN EUR THOUSAND	RLB Oberösterreich AG	Speditionsservice Ranshofen Ges.m.b.H.	Others	Total
Received	255	19,668	69	**19,993**
Provided	0	196	2	**198**
Status of receivables	33,411	8	0	**33,419**
Status of payables	27,570	1,467	3	**29,040**

SUPPLY RELATIONSHIP 2020 IN EUR THOUSAND	RLB Oberösterreich AG	Speditionsservice Ranshofen Ges.m.b.H.	Others	Total
Received	368	18,429	17	**18,815**
Provided	0	270	0	**270**
Status of receivables	29,061	11	0	**29,071**
Status of payables	59,688	1,924	0	**61,612**

O SUPPLEMENTARY INFORMATION

Events after the balance sheet date

At the 139th session of the Austrian National Council on January 20, 2022, the gradual reduction of the corporation tax rate from 25 % to 23 % in 2024 was approved. This would lead to a decrease in deferred tax assets of EUR 853 thousand, from EUR 23,076 thousand to EUR 22,224 thousand. The related effect recognised in profit or loss amounts to EUR 270 thousand, while the effect recognised directly in equity amounts to EUR -1,123 thousand.

Apart from this, no further events that require reporting occurred.

P APPROVAL

The Management Board approved the consolidated financial statements on February 8, 2022 (previous year: February 9, 2021), and released them for review by the Supervisory Board, for submission to the AGM, and for subsequent publication. The Supervisory Board can institute an amendment to the financial statements as part of the review incumbent upon it.

Ranshofen, February 8, 2022

The Management Board

Mag. Gerald Mayer
Chief Executive Officer,
Chief Financial Officer

Priv. Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Operating Officer

Victor Bregunccci, MBA
Chief Sales Officer

INFORMATION

DECLARATION OF THE MANAGEMENT BOARD UNDER SECTION 124 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT (BÖRSEG 2018)

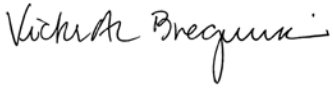
The Management Board hereby declares that to the best of its knowledge the consolidated annual financial statements of AMAG Austria Metall AG, prepared in accordance with the applicable accounting standards, give a true and fair view of the Group's financial position and performance. Likewise, the Group management report as far as possible gives a true and fair view of the AMAG Group's financial position and performance, provides information on the course of business, results and position of the Group, and describes the risks and uncertainties to which the Group is exposed.

Ranshofen, February 8, 2022

The Management Board

Mag. Gerald Mayer
Chief Executive Officer,
Chief Financial Officer

Priv. Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Operating Officer



Victor Bregunccci, MBA
Chief Sales Officer

AUDIT OPINION

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of AMAG Austria Metall AG, Ranshofen, and its subsidiaries (the Group), consisting of the consolidated balance sheet as of December 31, 2021, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the financial year ending on this reporting date, as well as the notes to the consolidated financial statements.

Based on the results of our audit, in our opinion the attached consolidated financial statements conform with legal regulations, and present a true and fair view of the Group's financial position as of December 31, 2021, as well as of its financial performance and cash flows for the financial year ending as of this date, in accordance with the International Financial Reporting Standards (IFRS) as applicable in the EU, and the additional requirements of Section 245a of the Austrian Commercial Code (UGB).

BASIS FOR THE AUDIT OPINION

We conducted our audit in accordance with the EU Regulation No. 537/2014 (hereinafter referred to as the "EU Regulation") and with the Austrian generally accepted auditing principles. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities in accordance with such regulations and standards are described in greater detail in the section entitled "Auditor's responsibilities for the auditing of the consolidated financial statements". We are independent of the Group in accordance with Austrian corporation law and professional law regulations, and we have fulfilled our other professional duties in accordance with these requirements. We believe that the audit evidence that has been obtained until the date of this audit opinion is sufficient and appropriate to provide a sound basis for our audit opinion as of this date.

PARTICULARLY IMPORTANT AUDIT MATTERS

Particularly important audit matters comprise such matters that according to our best judgement were the most important for our audit of the consolidated financial statements for the financial year under review. These matters were taken into consideration in connection with our audit of the consolidated financial statements as a whole, and when forming our audit opinion on these financial statements, and we do not issue a separate audit opinion on these matters.

Below, we present the audit matter we consider particularly important:

Power supply contract concluded by Aluminerie Alouette Inc.

Description:

In October 2016, Aluminerie Alouette Inc., Canada, ("AAI") – according to IFRS 11, a joint arrangement to be included proportionally in the consolidated financial statements of AMAG Austria Metall AG – concluded a power supply contract with the state electricity supplier, where the agreed electricity price is tied to the LME market price of aluminium. Based on this link, the electricity supply contract includes an embedded derivative, which is to be recognised separately. The embedded derivative was designated as a hedging instrument for future primary aluminium sales, representing the underlying transaction in a cash flow hedge. As of the date when the contract was concluded, the derivative's fair value also constitutes a government grant.

In the consolidated financial statements of AMAG Austria Metall AG as of December 31, 2021, the derivative is included in the amount of EUR 29.4 million in the item "Other non-current assets" and in the amount of EUR 6.3 million in the item "Other current liabilities". The amount recognised for the government grant stands at EUR 69.6 million and is reported under "Other non-current and current liabilities and grants". The assessment of this matter requires significant assumptions and estimates by the management concerning the related valuation, as the embedded derivative reflects various value-determining risk factors and valuation parameters. The company continues to measure the derivative's fair value applying a forward price model. An electricity reference price, corresponding yield curves and the forward prices of aluminium and foreign currencies are utilised. The estimate of the expected duration of the electricity supply contract is significant in this connection. In this context, until the end of the year 2020 a total duration of the electricity supply contract of eight years and a (re)negotiation until December 31, 2024 has been assumed. This estimate was reassessed in the 2021 financial year: based on the negotiations currently taking place, the company assumes that no modification to the current electricity supply contract is to be expected.

The company now anticipates that the electricity supply contract will be in effect until the end of the contractual term, whereby the expected term has been extended to December 31, 2029. As of the date of the decision to modify the term, this led to an increase in the derivative and the liability (grant) of USD 33.4 million (EUR 29.5 million), which was recognised directly in equity.

The corresponding information from the company is explained in the notes to the consolidated financial statements in sections "E Accounting policies", "F Accounting judgements and estimates", "I03 Other non-current assets and financial assets", "I07 Other current assets", "I14 Other liabilities and grants" and "K Financial instruments".

How we addressed this matter as part of the audit:

We critically scrutinised the management's assumptions and estimates, which included conducting the following audit actions:

- Assessing the extent to which the hedge's risk management objective is consistent with AMAG's risk management strategy, and whether changes have arisen during the financial year under review;
- Auditing the arithmetical correctness of the forward price model and appraisal of the valuation parameters applied;
- Evaluating the process for the management's assessment of the expected term of the power contract;
- Auditing the correct presentation in the IFRS consolidated financial statements.

OTHER INFORMATION

The legal representatives are responsible for the other information. Other information includes all information in the 2021 Annual Report apart from the consolidated financial statements, the Group management report and the audit opinion.

Our audit opinion in relation to the consolidated financial statements does not extend to such other information, and we do not issue any type of assurance in this context.

In connection with our audit of the consolidated financial statements, we have a responsibility to read this other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be misstated.

If, based on our work performed on the other information obtained before the date of the auditor's report, we conclude that a material misstatement of that other information has arisen, we are required to report that fact. We have nothing to report in this connection.

RESPONSIBILITIES OF THE LEGAL REPRESENTATIVES AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The legal representatives are responsible for the preparation of the consolidated financial statements, and for the fact that, in accordance with IFRS as applicable in the EU and the additional requirements of Section 245a UGB, they convey to the greatest possible extent a true and fair view of the Group's financial position and performance. Moreover, the legal representatives are responsible for the internal controls they deem necessary to enable consolidated financial statements to be prepared free of material misstatement, whether intended or unintended.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's capacity to continue as a going concern, for stating matters connected with the Group as a going concern – where relevant – as well as for applying the going concern accounting principle, unless the legal representatives intend to either liquidate the Group or discontinue the company's operations or have no realistic alternative to such options.

The Audit Committee is responsible for monitoring the Group financial accounting process.

AUDITOR'S RESPONSIBILITIES FOR AUDITING THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to gain sufficient certainty as to whether the consolidated financial statements as a whole are free of material misstatement, whether intended or unintended, and to issue an audit certificate containing our audit opinion. Sufficient certainty refers to a high degree of certainty, but provides no guarantee that an audit of financial statements conducted in accordance with the EU Regulation and Austrian generally accepted auditing principles, and requiring the application of ISA, always exposes a material misstatement if such a misstatement exists. Misstatements can arise from fraudulent actions or errors, and are deemed significant if they could reasonably be expected, either individually or in their entirety, to affect business decisions made by users on the basis of these consolidated financial statements.

As part of the auditing of financial statements in accordance with the EU Regulation and Austrian generally accepted auditing principles requiring the application of ISAs, we exercise due professional discretion during the entire audit and maintain a fundamentally critical stance.

The following also applies:

- We identify and assess the risks of material – whether intended or unintended – misstatement in the consolidated financial statements, plan audit activities as a response to such risks, implement them, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinion. The risk that material misstatement arising from fraudulent actions remains undisclosed is greater than a risk arising from errors, as fraudulent actions can comprise fraudulent collaboration, falsifications, intentionally incomplete documentation, misleading presentations or the overriding of internal controls. The risk that material misstatement arising from fraudulent actions remains undisclosed is greater than a risk arising from errors, as fraudulent actions can comprise fraudulent collaboration, falsifications, intentionally incomplete documentation, misleading presentations or the overriding of internal controls.
- We gain an understanding of the internal control system of relevance for the audit in order to plan audit actions that are appropriate in the given circumstances, although not with the aim of issuing an audit opinion on the efficacy of the Group's internal control system.
- We evaluate the appropriateness of the accounting policies applied by the legal representatives, as well as the justifiability of the estimated figures the legal representatives present in the financial accounting and related disclosures.
- We draw conclusions about the suitability of the legal representatives' application of the going concern principle, as well as – based on the audit evidence obtained – whether significant uncertainty exists in connection with events or circumstances that can raise considerable doubts about the Group's capability as a going concern.
  If we draw the conclusion that significant uncertainty exists, we are obligated to draw attention in our audit opinion to the related disclosures in the consolidated financial statements, or, if such disclosures are unsuitable, to amend our audit opinion. We draw our conclusions on the basis of audit evidence obtained up until the date of our audit opinion. Future events or circumstances, however, can result in the Group no longer comprising a going concern.
- We appraise the overall presentation, the structure and content of the consolidated financial statements, including the disclosures, as well as whether the consolidated financial statements reproduce the underlying business transactions and events in a manner that as far as possible presents a true and fair view.
- We obtain sufficient suitable audit evidence concerning the financial information of the units or operating activities within the Group in order to issue an audit opinion on the consolidated financial statements. We are responsible for directing, supervising and conducting the audit of the consolidated financial statements. We bear sole responsibility for our audit opinion.

We communicate with the Audit Committee, including concerning the planned scope and planned time allocation for the audit of the financial statements, as well as about important audit findings, including any significant defects in the internal control system that we identify during our audit.

We also issue a statement to the Audit Committee that we have complied with the relevant professional conduct requirements relating to independence, and communicate with it about all relationships and other matters where it could be reasonably assumed that they affect our independence and – where relevant – related protective measures.

Of those matters about which we communicated with the Audit Committee, we determine those that were most significant for the audit of the consolidated financial statements in the financial year under review, and consequently comprise particularly important audit matters. We describe such matters in our audit opinion, unless legislation and other legal regulations prevent the public disclosure of the matter, or we determine in extremely rare cases that a matter should not be communicated in our audit opinion because it is reasonably assumed that the negative consequences of such a communication would exceed its benefits for the public interest.

OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS

REPORT ON THE GROUP MANAGEMENT REPORT

Based on Austrian corporation law regulations, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and whether it was prepared in accordance with applicable legal requirements.

Our responsibility is to examine whether the consolidated non-financial statement included in the Group management report has been prepared, and to read it and, in doing so, to assess whether this other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be misstated.

The legal representatives are responsible for the preparation of the Group management report in accordance with Austrian corporation law regulations.

We conducted our audit in compliance with professional principles relating to the auditing of group management reports.

Opinion

In our opinion, the Group management report has been prepared in accordance with the applicable legal requirements, includes the appropriate disclosures pursuant to Section 243a UGB, and is consistent with the consolidated financial statements.

Statement

Given the findings from the audit of the consolidated financial statements and the understanding gained about the Group and its environment, no significant erroneous disclosures were found in the Group management report.

ADDITIONAL DISCLOSURES PURSUANT TO ARTICLE 10 OF THE EU REGULATION

We were elected as auditors by the Annual General Meeting on April 13, 2021 and appointed by the Supervisory Board on April 27, 2021 to audit the financial statements. We have been the auditor of the financial statements since 2017.

We declare that the audit opinion in the section “Report on the consolidated financial statements” is consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Regulation.

We declare that we have not rendered any prohibited non-auditing services (Article 5 (1) of the EU Regulation) and that we have maintained our independence from the audited company in performing our audit of the financial statements.

AUDITOR RESPONSIBLE FOR THE MANDATE

Mr. Mag. Thomas Haerdtl is the certified public auditor responsible for the mandate to audit the financial statements.

Vienna, February 8, 2022

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Thomas Haerdtl m.p.
Certified Public Auditor

ppa Mag. Andreas Strobl m.p.
Certified Public Auditor

REPORT ON THE INDEPENDENT AUDIT OF THE NON-FINANCIAL REPORTING 2021

We have conducted an audit of the non-financial reporting 2021 (hereinafter referred to as the "audit") of AMAG Austria Metall AG (hereinafter referred to as "AMAG"), Ranshofen, prepared in accordance with the requirements of Section 267a of the Austrian Commercial Code (UGB) Sustainability and Diversity Improvement Act (NaDiVeG) and the GRI Standards, core option.

The audit comprised the non-financial reporting 2021 as follows:

The section "Non-financial statement" in this 2021 Group management report relating to the consolidated financial statements as of December 31, 2021, and the GRI Content Index in the annual report.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVES

The proper preparation of the non-financial reporting for 2021 in accordance with Section 267a UGB[36] (NaDiVeG), the requirements of the EU Taxonomy Regulation[37] as well as the GRI Standards[38] is the responsibility of the company's legal representatives.

We have included in our files a declaration of completeness signed by the legal representatives.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion, based on our audit procedures and on the audit evidence we obtained, as to whether any matters have come to our attention that cause us to believe that the non-financial reporting 2021 has not been presented, in all material respects, in accordance with Section 267a UGB (NaDiVeG) and the GRI Standards as well as the EU Taxonomy Regulation.

These standards require us to comply with our professional duties, including independence requirements, and to plan and execute the engagement with due regard to the principle of materiality in such a way that we can express our opinion with limited assurance.

Our liability is limited in accordance with the "General Terms and Conditions of Contract for Public Accounting Professions". Accordingly, the person entitled to exercise the profession shall be liable only for intentional and grossly negligent breaches of the obligations assumed. In the event of gross negligence, the maximum liability to the client and to any third parties shall amount to EUR 726,730.

Our audit procedures were designed so as to obtain limited assurance as a basis for our opinion. The scope of the audit procedures for obtaining audit evidence is less than that for reasonable assurance (such as an annual audit), and less assurance is available as a consequence.

The selection of audit procedures lies at the auditor's discretion and included the following activities, in particular:

- Obtaining a complete overview of the company's activities as well as its organisational structure and procedures;
- Conducting interviews with company officers in order to understand relevant systems, processes and internal controls regarding the audited report contents, which support the gathering of information for reporting;
- Reviewing the relevant documents at Group, Management Board and management level in order to assess awareness and priority of issues in non-financial reporting, and to understand how the further development of processes and controls was implemented;
- Surveying the risk management and governance processes in relation to sustainability and critical evaluation of the presentation in the non-financial reporting;
- Performing analytical procedures at company level;
- Conducting virtual meetings with managers at the Ranshofen, Karlsruhe and Übersee sites to obtain evidence of key performance indicators. Moreover, we conducted random checks of individual disclosures in the non-financial reporting for 2021 at site level with regard to completeness, reliability, accuracy and timeliness;

36) https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf
37) https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32021R2139 and
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2178&qid=1639643622790
38) https://www.globalreporting.org/standards

- Random testing of data and processes in order to determine whether they have been appropriately transferred, consolidated and reported at Group level. This included assessing whether the data were reported in an accurate, reliable and complete manner;
- An assessment of reporting on key issues raised in stakeholder dialogues, reported on in external media, and referred to by key competitors in their environmental and social reports;
- An evaluation of the company's internal materiality analysis including sector-specific megatrends as well as GRI aspects;
- An assessment as to whether the requirements pursuant to Section 267a UGB were adequately addressed;
- Random checks of the statements in the non-financial reporting 2021 on the basis of the reporting principles of the GRI Standards;
- An assessment as to whether the GRI Standards were applied in conformity with the core option; and
- An assessment as to whether the requirements of the EU Taxonomy Regulation have been adequately addressed.

The object of our engagement was neither an audit of financial statements nor a review of historical financial information. We did not submit to any further audit the performance indicators and statements as well as information from the corporate governance report and risk reporting audited as part of the audit of the annual financial statements. We reviewed solely the GRI-compliant presentation of this information in our reporting. Similarly, neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust and regulatory offences, nor the assessment of the management's effectiveness and economic efficiency formed the subject of our engagement. Furthermore, figures taken from external studies, forward-looking statements and prior-year figures were not the subject of our engagement. The report examined the references listed in the GRI content index, but did not examine further (web) references.

In our view, the audit evidence we have obtained is sufficient and appropriate to provide a basis for our summary opinion.

We prepare this report on the basis of the contract concluded with you, which, including with effect in relation to third parties, is based on the "General Conditions of Contract for the Public Accounting Professions".[39]

SUMMARY ASSESSMENT

Based on our audit procedures and the evidence we obtained, no matters have come to our attention that cause us to believe that the non-financial reporting 2021 has not been presented, in all material respects, in accordance with Section 267a UGB (NaDiVeG) and the GRI Standards as well as the EU Taxonomy Regulation.

Vienna, February 8, 2022

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Stefan Uher m.p. pp DI Georg Rogl m.p.

39) Version dated April 18, 2018, published by the Austrian Chamber of Public Accountants and Tax Consultants, section 7, http://www.kwt.or.at/PortalData/1/Resources/aab/AAB_2018_de.pdf

GRI CONTENT INDEX

GRI-STANDARD	Disclosure	Page number	Omissions and comments	Topic boundaries
GRI 101 Foundation 2016				
GRI 102 General Disclosures 2016				
Organisational profile				
102-1	Name of the organisation	5		
102-2	Activities, brands, products, and services	5 f., 34		
102-3	Location of headquarters	5		
102-4	Location of operations	5		
102-5	Ownership and legal form	5, 99		
102-6	Markets served	5 f.		
102-7	Scale of the organisation	5, 45	See Key Figures of the AMAG-Group	
102-8	Information on employees and other workers	45 f.		
102-9	Supply chain	5 f., 51		
102-10	Significant changes to the organisation and its supply chain	8, 51		
102-11	Precautionary principle or approach	9 f.		
102-12	External initiatives	9, 23, 66		
102-13	Membership of associations	66		
Strategy				
102-14	Statement from senior decision-maker	8		
Ethics and integrity				
102-16	Values, principles, standards, and norms of behaviour	23		
Governance				
102-18	Governance structure	10	See Corporate-Governance-Report	
Stakeholder engagement				
102-40	List of stakeholder groups	12 f.		
102-41	Collective bargaining agreements	45		
102-42	Identifying and selecting stakeholders	12		
102-43	Approach to stakeholder engagement	12 f.		
102-44	Key topics and concerns raised	12 f.		

GRI-STANDARD	Disclosure	Page number	Omissions and comments	Topic boundaries
Reporting practice				
102-45	Entities included in the consolidated financial statements	7	See consolidated financial statements, section D, Consolidation principles	
102-46	Defining report content and topic boundaries	7		
102-47	List of material topics	14		
102-48	Restatements of information		No material restatements of information	
102-49	Changes in reporting		No material changes in the list of key topics	
102-50	Reporting period	7		
102-51	Date of most recent report	7		
102-52	Reporting cycle	7		
102-53	Contact point for questions regarding the report	8		
102-54	Claims of reporting in accordance with the GRI Standards	7		
102-55	GRI content index	7, 209 f.		
102-56	External assurance	7, 207 f.		
GRI 103 Management approach 2016				
103-1	Explanation of the material topic and its boundary		Described in the respective chapter	
103-2	The management approach and its components		Described in the respective chapter	
103-3	Evaluation of the management approach		Described in the respective chapter	
GRI 201 Economic performance 2016				
201-1	Direct economic value generated and distributed	114		
GRI 202 Market presence 2016				
202-2	Proportion of senior management hired from the local community	47		
GRI 204 Procurement practices 2016				
204-1	Proportion of spending on local suppliers	68		Raw materials, recycling
GRI 206 Anti-competitive behaviour 2016				
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	26		Compliance
GRI 301 Materials 2016				
301-2	Recycled input materials used	51, 53		Raw materials, recycling

GRI-STANDARD	Disclosure	Page number	Omissions and comments	Topic boundaries
GRI 302 Energy 2016				
302-1	Energy consumption within the organisation	57		Energy
302-3	Energy intensity	58		
GRI 303 WATER AND EFFLUENTS 2018				
303-1	Interactions with water as a shared resource	60		
303-2	Management of water discharge-related impacts	60		
303-3	Water withdrawal	61	Information on withdrawal quantities in m^3; no extraction from sources with water stress.	
GRI 304 Biodiversity 2016				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	64		
GRI 305 Emissions 2016				
305-1	Direct (Scope 1) GHG emissions	58		Emissions
305-2	Energy indirect (Scope 2) GHG emissions	58		Emissions
305-3	Other indirect (Scope 3) GHG emissions	59		Emissions
305-4	GHG emissions intensity	59		Emissions
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	59	Annual averages were not calculated for sulphur oxide (SOx), persistent organic pollutants (POP), volatile organic compounds (VOC) and hazardous air pollutants (HAP); particulate matter (PM) is measured as total dust emissions	Emissions
GRI 306 Effluents and waste 2016				
306-2	Waste by type and disposal method	63		
GRI 307 Environmental compliance 2016				
307-1	Non-compliance with environmental laws and regulations	65		Compliance
GRI 308 Supplier environmental assessment 2016				
308-1	New suppliers that were screened using environmental criteria	49		
GRI 401 Employment 2016				
401-1	New employee hires and employee turnover	46		

GRI-STANDARD	Disclosure	Page number	Omissions and comments	Topic boundaries
GRI 402 Labor/Management relations 2016				
402-1	Minimum notice periods regarding operational changes	45		
GRI 403 Occupational health and safety 2018				
403-1	Occupational health and safety management system	38 f.		Occupational health and safety
403-2	Hazard identification, risk assessment, and incident investigation	38 f.		Occupational health and safety
403-3	Occupational health services	38 f.		Occupational health and safety
403-4	Worker participation, consultation, and communication on occupational health and safety	38 f.		Occupational health and safety
403-5	Worker training on occupational health and safety	38 f.		Occupational health and safety
403-6	Promotion of worker health	39		Occupational health and safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	39		Occupational health and safety
403-8	Workers covered by an occupational health and safety management system	38 f.		Occupational health and safety
403-9	Work-related injuries	40		Occupational health and safety
GRI 404 Training and education 2016				
404-1	Average hours of training per year per employee	42		Training and education
404-3	Percentage of employees receiving regular performance and career development reviews	41		Training and education
GRI 405 Diversity and equal opportunity 2016				
405-1	Diversity of governance bodies and employees	47	See Corporate-Governance-Report	
GRI 406 Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	47		
GRI 419 Socioeconomic compliance 2016				
419-1	Non-compliance with laws and regulations in the social and economic area	26		Compliance

GLOSSARY

TECHNICAL GLOSSARY

Alloy-to-alloy recycling:
Specific separation and sophisticated metal analysis that allows scrap (input materials) to be recycled, usually for manufacturing finished product alloys of identical analysis

Anode baking furnace:
Furnace used to produce anodes required for primary aluminium production

Cast ingots:
Aluminium or aluminium alloy ingots cast in moulds for re-melting in aluminium foundries (die casting, mould casting, sand casting)

Cathode sheet:
Metallic zinc deposits on pure aluminium sheets that are placed in an electrolysis tank containing zinc solvent in a sulphuric solution

Clad brazing sheet:
Composite material consisting of a core aluminium alloy and a cladding layer of a brazing alloy with a lower melting point (for use in coolers and heat exchangers)

Closed loop recycling:
Fabrication scrap from customers is returned and remelted, before being reprocessed into high-quality aluminium products

Collection point:
Production site where scrap from cans, foils, wheel rims, window frames, chips and engine blocks, etc. is collected, classified, sorted by type to the highest possible accuracy, and stored for recycling purposes

Continuous solution annealing furnace for aluminium strip:
Continuous solution annealing furnace to adjust certain metallurgical properties of aluminium strip

Digital twin:
Simulating production across the entire value chain by means of software tools

Electrolysis process:
Splitting a chemical compound under the impact of an electric current

Heat-treatable plates:
Aluminium plates with increased hardness achieved through special thermal processing

Homogenisation furnace:
Type of furnace used in the casthouse to produce a homogenised microstructure prior to subsequent hot rolling

Horizontal heat-treatment furnace:
Non-continuous, multizone furnace in the rolling mill, utilised for solution annealing of heat-treatable plates

Hot rolling simulation:
Computer simulation of hot rolling to make predictions about the final product prior to the actual rolling process

LIBS scrap sorting plant:
Sorting plant for mixed scrap that can be sorted accurately into several material classes by means of laser technology

Manufacturing of rolling ingots:
Manufacturing of ingots intended for rolling that are vertically cast in the ingot casthouse

Passivation:
The oxide layer of the aluminium is replaced by an artificial barrier layer, providing a good surface for adhesively bonded joints

Precision cast plates:
Aluminium precision plates cut from rolling slabs and precision-milled on both sides

Primary aluminium:
Aluminium produced from alumina using electric power, petroleum coke, pitch and other raw materials

Rolling:
A forming process. If materials are formed at temperatures above their recrystallisation temperature, the process is referred to as hot rolling, otherwise as cold rolling

Rolling slab:
Vertically cast ingots for use in rolling mills

Secondary aluminium:
Aluminium alloy obtained from recycled aluminium scrap

Semi-finished aluminium:
Generic term used to describe aluminium products in the form of sheet, coils and sections, pipes, etc.

Smart Factory:
Production environment in which manufacturing plants and logistics systems largely organise themselves without human intervention

Sows:
Ordinary cast form for aluminium, suited for remelting

Special rolled products:
Rolled products that are distinguished from standard products through a combination of specific properties (e.g. bright sheet)

Stretcher:
Stretchers are used to remove unevenness from sheets, coils and plates, and to reduce the material's residual stress

Two-piece ingots and horizontal direct chill cast ingots:
Two-piece ingots and horizontal direct chill cast ingots: Ingots produced in two-part or horizontally continuous casting lines

FINANCIAL GLOSSARY

ATX prime:
Benchmark index of the Vienna Stock Exchange that includes all stocks in the prime market segment

Backwardation:
A situation on a futures market where the spot price is higher than the futures price

Capital employed:
The total of average equity and average net debt (long-term and short-term interest-bearing financial liabilities less liquid assets and short-term securities)

Cash flow:
Financial parameter indicating the net cash received over a period of time; an indicator of a company's solvency

Compliance:
Compliance with laws and directives as well as voluntary codes

Contango:
A situation with a commodity futures transaction where the spot price is lower than the forward price

Corporate governance:
Rules of behaviour for responsible management and controlling of companies, as set out in the Austrian Corporate Governance Code; compliance with this code is voluntary

Corporate Social Responsibility (CSR):
Term referring to voluntary initiatives implemented with a view to promoting sustainable corporate governance that extends above and beyond statutory requirements, and reflects all stakeholders' interests

Coverage:
Regular reporting by analysts about a company's development

D&O (Directors & Officers):
Legally liable members of company boards such as the management or supervisory board of a public limited company, or corporate officers and directors in a limited liability corporation

Derivative financial instruments:
Financial instruments whose prices are based on other investments' actual or expected prices

Dividend yield:
Ratio between a company's dividend and its share price, expressed in percent; shows the return on invested capital per share

Earnings per share:
Derived by dividing consolidated net profit or loss by the weighted average number of shares in issue

EBIT (earnings before interest and taxes):
A measure of operating income after taking depreciation and amortisation into account

EBITDA (earnings before interest, taxes, depreciation and amortisation):
A measure of cash operating income

EBT (earnings before taxes):
A measure of profit before the application of tax

Equity ratio:
Ratio between equity and total assets

Employer branding:
Corporate strategic measure utilising marketing concepts to present a company as an attractive employer overall and to establish a positive distinction from other employment market competitors

Gearing:
Ratio of net debt (non-current and current interest-bearing borrowings less cash and cash equivalents, and non-current and current securities) to equity

Hedging:
Financial risk management measures to limit or avoid the negative impact of market price changes in the areas of interest rates, currencies, asset values or commodities

ISIN (International Security Identification Number):
A reference number for securities

London Metal Exchange (LME):
One of the world's largest metals trading exchanges for spot and forward transactions

Management letter:
A document addressed to a management board with recommendations for potential improvements at the company, published by an independent auditor as part of a legally prescribed auditors' report and opinion

Market capitalisation:
Calculated by multiplying the number of a company's shares in issue by their current share price on the stock market

Price/earnings ratio (PER):
Ratio to value a share on the stock market; ratio between the current share price and earnings per share

Profit attributable to non-controlling interests:
Portion of net income attributable to non-controlling interests. If the amount is positive, a pro rata share of the consolidated subsidiary's net loss is added to consolidated profit

NOPAT (net operating profit after taxes):
Net income after taxes adjusted to reflect the net interest result and related tax (tax effect deriving from the net financial result)

ROCE (return on capital employed):
NOPAT divided by average capital employed = profitability of capital employed

ROE (return on equity):
Ratio between net income after taxes and average equity, expressed as a percentage. It shows the profitability in relation to average equity employed in the course of the financial year

Small and mid caps:
Listed companies with small or medium market capitalisations

Stakeholder:
Person with a vested interest in the conduct of a company (e.g. a shareholder, employee, customer or supplier); the stakeholder value approach assesses the company in its overall socioeconomic context with a view to reconciling the needs of the various stakeholder groups

Total shareholder return:
Derived by adding together the dividend paid for a financial year and the share price appreciation realised during the year

Treasury:
Corporate department responsible for finance, market risk management and cash management

Working capital:
Comprises the balance sheet items “inventories” and “trade receivables” less “trade payables”

IMPRINT

PUBLISHER

AMAG Austria Metall AG
Lamprechtshausener Strasse 61
Postfach 3
A-5282 Ranshofen
Tel.: +43 7722 801 0
Fax: +43 7722 809 498
Email: md-amag@amag.at
www.amag-al4u.com

CONTACT

Head of Investor Relations
Mag. Christoph M. Gabriel, BSc
Tel.: +43 7722 801 3821
Email: investorrelations@amag.at

Head of Corporate Communications
Dipl.-Ing. Leopold Pöcksteiner
Tel.: +43 7722 801 2205
Email: publicrelations@amag.at

CONCEPT, LAYOUT, DESIGN AND PRODUCTION

Projektagentur Weixelbaumer KG
Werbung. Kommunikation. Design.
Landstrasse 22
A-4020 Linz
Tel.: +43 732 793379
www.projektagentur.at

LOCATIONS

You can also find our international locations online at:
https://www.amag-al4u.com/en/company/amag-group.html

TYPESETTING AND PRODUCTION

Produced in-house using firesys
firesys GmbH
Kasseler Strasse 1a
D-60486 Frankfurt am Main
Tel.: +49 69 79 40 94 0

DISCLAIMER

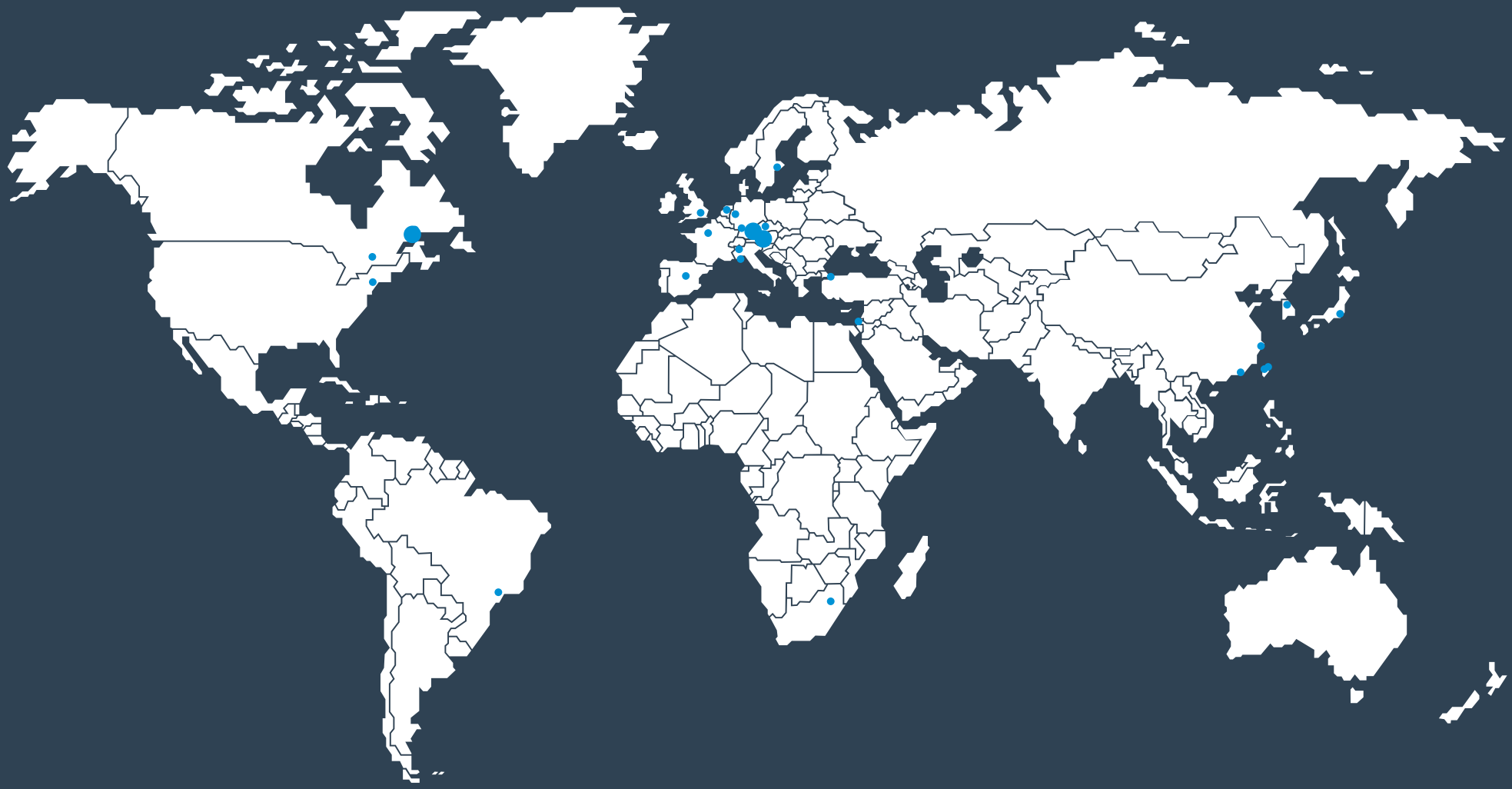
The forecasts, budgets and forward-looking assessments and statements contained in this report were compiled based on all information available to AMAG as of February 8, 2022. In the event that the assumptions underlying these forecasts prove to be incorrect, targets be missed, or risks materialise, actual results may depart from those currently anticipated. We are not obligated to revise these forecasts in the light of new information or future events.

This report was prepared and the data contained in it verified with the greatest possible care. Nevertheless, misprints and rounding and transmission errors cannot be entirely ruled out. In particular, AMAG and its representatives do not assume any responsibility for the completeness and correctness of information included in this report. This report is also available in German. In cases of doubt, the German-language version is authoritative.

This report does not comprise either a recommendation or a solicitation to either purchase or sell securities of AMAG.

GROUP COMPANIES AND LOCATIONS

AMAG
AUSTRIA METALL



GROUP COMPANIES AND LOCATIONS

Production sites

AMAG AUSTRIA METALL AG
Lamprechtshausener Straße 61
P.O. Box 3
5282 Ranshofen
AUSTRIA

T +43 7722 801 0
md-amag@amag.at

ALUMINIUM AUSTRIA METALL (QUÉBEC) INC.
1010 Sherbrooke ouest
2414, Montréal,
QC. H3A 2R7
CANADA

T +1 514 844 1079
aamqc@amag.at

AMAG COMPONENTS ÜBERSEE GMBH
Gewerbestraße 12-14
83236 Übersee
GERMANY

T +49 8642 5959-0
sales@components.amag.at

AMAG COMPONENTS KARLSRUHE GMBH
Erzbergerstraße 115
76133 Karlsruhe
GERMANY

T +49 721 9739-0
sales@components.amag.at

Trade offices of AMAG rolling GmbH

AMAG ASIA PACIFIC LTD.
2F., No.46, Sec. 2,
Zhongcheng Rd.,
Shilin Dist., Taipei City 11147
TAIWAN

T +886 22836 8906
amag.asia@amag.at

AMAG DEUTSCHLAND GMBH
Krummenweg 31/4
89233 Neu-Ulm
GERMANY

T +49 151 5130 1359
amag.deutschland@amag.at

AMAG KOREA BRANCH OFFICE
444#
(Nonhyeon-dong, Gangnam Building),
No. 647 Yanzhou Road,
135-010 Gangnam District,
Seoul
SOUTH KOREA

T +82 10 2669 4577
young.hwan.kim@amag.at

AMAG ALÜMINYUM TIC. LTD. ŞTI.
Atatürk mah. Ertuğrul Gazi Sok.
Metropol İstanbul A2 Blok
D: 365
34758, Ataşehir, İstanbul
TURKEY

T +90 216 250 6040
amag.turkey@amag.at

AMAG BENELUX B.V.
Burgwal 47
2611 GG Delft
NETHERLANDS

T +31 15 21 33 222
amag.benelux@amag.at

AMAG FRANCE SARL
65, Rue Jean Jacques Rousseau
92150 Suresnes
FRANCE

T +33 141 448 481
amag.france@amag.at

AMAG ROLLING EASTERN EUROPE S.R.O.
Business Centrum Ocelářská
Ocelářská 35/1354
190 00 Prague 9
CZECH REPUBLIC

T +420 725 002 993
amag.easterneurope@amag.at

AMAG U.K. LTD.
Beckley Lodge
Leatherhead Road
Great Bookham
Surrey KT23 4RN
UK

T +44 1372 450661
amag.uk@amag.at

AMAG CHINA CO. LTD.
Suite 8419
4th Floor, Building 1
Wu-Hua Rd. No. 73
HongKou District
200086 Shanghai
CHINA

T +86 133 3185 0376
amag.china@amag.at

AMAG ITALIA S.R.L.
Via Pantano 2
20122 Milano
ITALY

T +39 02 720 016 63
amag.italia@amag.at

AMAG ROLLING IBERIA S.L.
C/ Stuart 65, 1ºB
28300 Aranjuez (Madrid)
SPAIN

T +34 918 754 727
amag.iberia@amag.at

AMAG USA CORP.
600 East Crescent Ave,
Suite 207
Upper Saddle River
NJ 07458-1827
USA

T +1 201 9627105
amag.usa@amag.at

Sales subsidiaries of AMAG rolling GmbH

BRAZIL / AIRCRAFT
RECOMINTE
Av. Edouard Six, 540
Hangar G13
Jardim Paraíba
Jacareí - SP
ZIP: 12327-673
BRAZIL

T +55(12) 3905 4041
M +55(12) 99708 8207
jacques@recominte.com

ISRAEL
BINO TRADING
Haziporen 14
30500 Binyamina
ISRAEL

T +972 4 6389992
zadok@bino-trading.com

JAPAN
JOH CORPORATION
Ogawamachi-Kita Building 3F,
1-8-3 Kanda-Ogawamachi,
Chiyoda-ku,
Tokyo 101-0052
JAPAN

T +81 (0)3 5776 3638
tak.ishikawa@amag.at

SOUTH AFRICA
COLIN JAMES LITTLE
27 Eagles Crag,
Crestwood Drive,
PO Box 358, Lonehill,
2062 Johannesburg
SOUTH AFRICA

T +27 83 253 9125
colin.little09@gmail.com

CHINA / AIRCRAFT
VOSS AVIATION & MOTION TECHNOLOGY LTD.
RM903, 9/F Tesbury Centre,
28 Queen's Road East,
Wan Chai,
Hong Kong
CHINA

T +852 3580 0882
av@voss.com.hk

ITALY / AIRCRAFT
AEROSPACE ENGINEERING
Via Rimassa, 41/6
16129 Genova
ITALY

T +39 010 55 08 51
paolo@aereng.it

SWEDEN, NORWAY, FINLAND
DANUBIA METAL OFFICE
Linnégatan 76
115 23 Stockholm
SWEDEN

T +46 8 704 95 95
peter@danubia.se

TAIWAN
DE PONT INTERN. COMPANY
No. 963-1, Shuang Wen Road,
Dali Dist.
41283 Taichung City
TAIWAN

T +886 4 24069421
jack.lee@amag.at

AMAG
AUSTRIA METALL

AMAG Austria Metall AG

Lamprechtshausener Straße 61
P.O. Box 3
5282 Ranshofen
Austria

T +43 7722 801 0
F +43 7722 809 498

md-amag@amag.at
www.amag-al4u.com