

The logo for ALCOMET, featuring the word "ALCOMET" in a bold, blue, sans-serif font. The letter "O" is stylized with a white circle inside. A horizontal blue line is positioned above the letters "M", "E", and "T".

**ALCOMET**

CREATING SUSTAINABLE FUTURE TOGETHER

**REFLECTING SUSTAINABILITY PROGRESS:**  
A COMMITMENT TO ALUMINIUM PRODUCTION  
EXCELLENCE

SUSTAINABILITY REPORT 2024

# CONTENTS

<b>COMPANY OVERVIEW</b> .....	3
Understanding This Report: Approach And Alignment .....	3
Statement of the CEO .....	4
Highlights .....	5
Our Company .....	7
Business Through Sustainability .....	11
Sustainability Approach and Commitments .....	16
<b>SUSTAINABLE PARTNER</b> .....	31
Product Stewardship and Quality .....	33
Sustainable Supplier .....	35
Supply Chain Management .....	37
<b>CARE FOR THE ENVIROMENT</b> .....	40
Climate and Decarbonization .....	41
Circular Economy and Waste Management .....	45
Air Quality .....	48
Water Resources .....	50
Biodiversity and Ecosystems .....	51
<b>RESPONSIBLE EMPLOYER</b> .....	52
Our Workforce .....	53
Working Conditions and Human rights .....	55
Employee Engagement and Development .....	57
Occupational Health and Safety .....	58
<b>AFFECTED COMMUNITIES</b> .....	63
<b>BUSINESS ETHICS</b> .....	69
<b>ANNEXES</b> .....	72



Maya Chilikova ,  
Sustainability Director

## UNDERSTANDING THIS REPORT: APPROACH AND ALIGNMENT

The 2024 Sustainability Report of Alcomet, published on 30.06.2025, represents a continued commitment to transparent and responsible business practices. As part of our ongoing sustainability journey, this report outlines the environmental, social, and governance (ESG) performance of our operations throughout the year, with a focus on our production facility in Shumen, Bulgaria, as well as our value chain activities and relations. The reporting period covers January 1, 2024, to December 31, 2024, and has not undergone third-party assurance.

This marks our fifth sustainability report. Each year, we aim to enhance both the reporting process, and the

depth and scope of the information shared. In the 2023 report, we introduced some of the CSRD requirements for the first time, laying the groundwork for implementing the double materiality assessment. In 2024, we conducted a significantly more detailed materiality assessment, identifying and evaluating a wide range of impacts, risks, and opportunities within our operations and throughout the value chain. This effort has greatly deepened our analytical approach, expanded the scope of our analysis, and enriched the indicators reported in this document.

Despite the evolving global political and economic landscape, the postponement of key European sustainability reporting regulations, and anticipated changes in standards (ESRS), our company remains committed to preparing a sustainability report that aligns with European standards and regulations. This report adheres to the criteria and requirements of the CSRD and ESRS, effective as of the end of 2024. The indicators presented reflect the coverage achievable for Alcomet, based on the information collected and available data on each topic by the end of 2024. Following the release of the standards resulting from the adoption of the Omnibus package, we will update our internal processes for data collection and information mapping to ensure compliance with the revised requirements for the upcoming reporting period.

It is important to note that the current sustainability report is separate from Alcomet's Annual Report, which was published on March 31, 2024. In early 2025, an amendment to the Accountancy Act was adopted in Bulgaria, a few months after transposing the directive into local legislation for 2024. According to this amendment, the Bulgarian Parliament approved a one-year postponement for the publication and auditing of sustainability reports.

A Declaration of Eligibility for the EU Taxonomy was released alongside Alcomet's 2024 annual financial report, which is included as an Annex also to this sustainability report.

Given the uncertain legislative framework and anticipated changes at the European level, the company has opted to publish a standalone Sustainability Report. This document continues the reporting process established in previous years, tracking both quantitative and qualitative indicators from the ESRS. We have utilized information from Alcomet's 2024 annual financial report to maximize compliance and synergy across our company's reports, striving for the highest possible alignment with the CSRD and ESRS.

For more information on this Report, please contact: Maya Chilikova at [maya.chilikova@alcomet.eu](mailto:maya.chilikova@alcomet.eu)

### Disclosures from other legislation or sustainability reporting standards

Our company has referenced several international and industry-specific standards in addition to ESRS. Prior to transitioning to the European Sustainability Reporting Standards (ESRS), Alcomet disclosed sustainability information in alignment with the Global Reporting Initiative (GRI) Standards. The company's earlier sustainability reports were structured around the GRI core principles.

Alcomet is committed to transparent reporting under the Carbon Border Adjustment Mechanism (CBAM) and has proactively gathered specific data from our suppliers. This effort enhances our reporting framework by upgrading the initially reported default amounts, enabling us to deliver more precise insights into our carbon emissions and compliance strategies.

Being certificated under Aluminium Stewardship Initiative (ASI) that reflects our commitment to responsible business conduct across the aluminium value chain. The ASI Performance Standard V2 covers a wide range of environmental, social, and governance topics, including human rights, climate change, emissions, resource efficiency, circularity, and supply chain due diligence. These themes directly align with key disclosure requirements of the European Sustainability Reporting Standards (ESRS), particularly under ESRS E1 (Climate), E 2 (Pollution), E 3 (Water), E4 (Biodiversity), E5 (Resource use and circular economy), S2 (Workers in the value chain), and G1 (Business conduct). Moreover, the ASI's requirement for ongoing stakeholder engagement, transparent governance, and periodic performance audits complements the ESRS focus on double materiality, due diligence, and traceability.

Alcomet reports in accordance with national legislation and the requirements of the Complex Permit regime. The annual report detailing the implementation of the conditions outlined in the Complex Permit is publicly available on the Environmental Agency's website.



## WORDS FROM OUR CEO

2024 was the year when the company has successfully positioned itself to meet the evolving demands of the global market by investing in modernizing its equipment and improving its technological processes. The Ministry of Innovation and Growth of Bulgaria awarded our company a Priority Investment Project certificate, which emphasizes the importance of the investment project for the country's economy. During the three-year implementation period of the project worth 69.7 million EUR, 160 new jobs are expected to be created. These investments represent strategic steps that will help Alcomet strengthen its position in the market, attract new customers and respond to the growing demands in the industry. The plan aims to introducing modern technologies and innovations that will increase the profitability and sustainability of the company in the long term.

The strategic investment will allow the company to offer new products that cater to the increasing demand for high-quality, sustainable solutions across key industries. One of the most significant new developments for next year will be the introduction of new foils for the automotive sector, particularly focusing on battery foils for electric vehicles. This innovation aligns with the growing trend of electrification in the automotive industry, offering Alcomet a competitive edge in an expanding market. Additionally, we will continue to build on our already established packaging foil production, which serves various industries including pharmaceuticals, food packaging, and insulation panels.

With the commissioning of a new foil rolling mill and expanded casting operations, total production volumes are projected to rise, particularly in rolled products, where demand is driven by applications in energy-efficient construction, and mobility solutions. Our company will install two new extrusion lines, expanding its product portfolio in extruded aluminium profiles. As part of this expansion, we have also commissioned a new casting table for 10-inch billets, which will supply the new extrusion lines with larger raw material dimensions. This development will significantly enrich the product mix by enabling the production of profiles with larger cross-sections and higher weight per linear meter, meeting growing customer demand for heavy-duty and structural aluminium solutions.



Investor of the Year 2024

At the beginning of 2025, our firm received another accolade for its investment strategy, specifically for the achievements of 2024. The Bulgarian Investment Agency (BAI) honored Alcomet with the prestigious "Investor of the Year 2024" award in the category of "Investment in Business Expansion." This recognition highlights Alcomet's investments totaling 15.2 million EUR in 2024 and creation of 99 new jobs.

Aluminium continues to play a crucial role in the transition to a low-carbon and circular economy. Despite

ongoing market volatility, supply chain pressures, and geopolitical uncertainty, Alcomet expects stable operational performance in 2025, supported by its modernized production facilities and increased capacity from recent strategic investments. Revenue in 2025 is expected to reach between EUR 270–285 million, supported by stable export demand and increased output. The Automotive and Special Profiles segment is expected to see moderate growth, while the Service & Processing segment is projected to remain stable. Employment levels will be maintained with a focus on upskilling, targeting over 400 training sessions in 2025. These projections assume no material disruptions in global aluminium pricing, regulatory frameworks, or energy supply. Forecasts reflect Alcomet's accounting policy of recognizing revenue only upon the transfer of control to customers, either at a specific point in time or over the course of delivery, in line with applicable IFRS standards.

The company is focusing on the U.S. market, successfully revitalizing its presence there, particularly in rolled products. Despite challenges, such as the imposition of higher tariffs, we remain optimistic about future growth opportunities in the USA. Alcomet also has the ambition to increase its market presence in new regions, such as Canada. In addition to rolled products, our company is actively striving to enter these markets with its extruded aluminium profiles as well. With these efforts, Alcomet aims to balance risks by diversifying its market presence and continuing to expand into new regions.

As we pursue international growth, we remain equally committed to our responsibilities, toward the environment, our employees, and the communities around us. None of this progress would be possible without the dedication of our people, whose contribution is fundamental to our sustainable development.

**Together, we build a better world through sustainable business!**

**Huseyin Ince,**  
*Executive Member of the Management Board*

# HIGHLIGHTS

Product stewardship & Innovation	Market presence	People & Community	Environment achievements
<p><b>651 000 EUR</b> investments for 25 years</p> <p><b>69,7 million EUR</b> investments by 2027</p>	<p>Stronger market presence with a <b>9% growth</b> on the USA market</p>	<p><b>1292 employees</b> 99 new workplaces</p>	<p><b>Scope 3</b> emission calculation</p>
<p><b>10 projects</b> related to process design to develop new rolled products and <b>480 new</b> extruded profile items</p>	<p><b>66%</b> of our <b>top 40 clients</b> (in terms of revenue) have worked with us for <b>10 or more years</b></p>	<p><b>53% of our employees</b> have been with the company for over 5 years and <b>11% - for over 21 years</b></p>	<p><b>Energy Consumption</b> reduced to <b>3.39 MWh</b> per ton of aluminium</p>
<p><b>40% increase</b> in time devoted to <b>R&amp;D activities</b></p>	<p><b>88%</b> of our <b>clients</b> chose Alcomet for more than one project (repeat orders)</p>	<p><b>30% higher</b> average annual salary than the national average salary in the private sector</p>	<p><b>100%</b> recyclable packaging</p>
<p><b>100% of our customers</b> receive comprehensive sustainability-related information</p>	<p>Clients in <b>36 countries</b></p>	<p><b>470 113 EUR</b> invested in community, healthcare, sport and education</p>	<p><b>45% recycled materials</b> for production</p>
<p><b>Expanded IATF 16949</b> certification to include rolled products</p>	<p><b>Sales</b> volumes grew by <b>25%</b>, with turnover increasing by 16%</p>	<p><b>85 645 EUR</b> invested in employees' trainings and qualifications</p>	<p><b>97%</b> of the waste is <b>recycled</b> and <b>1%</b> prepared for <b>reuse</b></p>

## Awards 2024

### April 2025, "Investor of the Year 2024"



"Alcomet" AD awarded "Investor of the Year 2024" in the category "Investment in Business Expansion". The award was presented to "Alcomet" AD by the Minister of Regional Development, Ivan Ivanov, who highlighted the company's significant contribution and its majority owner, Fikret Ince: "This is a person who not only changes the entire city but also laid the foundations of the industry in the whole region".

### December 2024 – Benefactor of Shumen



"Alcomet" AD is among the ten biggest benefactors of the Shumen municipality this year. The Mayor of Shumen Municipality, Prof. Hristo Hristov, presented a certificate and a gold coin to Mr. Huseyin Ince, Executive Board Member.

### December 2024, ICAP True Leader award



For the twelfth consecutive year, "Alcomet" AD was awarded the ICAP True Leader award, as a leader in the production of aluminium products, by the largest business information services group in Southeast Europe - ICAP CRIF in BULGARIA.

Neli Toncheva, member of the Management Board of "Alcomet" AD, had the pleasure of receiving the True Leader award from Mila Nenova, Executive Director of the Bulgarian Investment Agency.

### October 2024, "Partner of the Municipalities" award



Fikret Ince, majority owner of "Alcomet" AD, was honored with the prestigious "Partner of the Municipalities" award by the National Association of Municipalities in

Bulgaria (NAMRB). The award was presented by the Minister of Innovation and Growth, Rosen Karadimov, during the Annual Meeting of Local Authorities.

### May 2024, "Key to the City of Shumen"



Mr. Fikret Ince, Majority owner of "Alcomet" AD, was honored with the city's most prestigious award - the "Key of city of Shumen".

### September 2024



The President of the Republic of Bulgaria, Rumen Radev, inaugurated a major investment in "Alcomet" AD. The project "Expanding the Product Mix by Installing a Continuous Casting Line, Profile Production Lines, a Universal Foil Rolling Mill, and Supporting Facilities," will be implemented over three years. The President highlighted the impressive scale of the enterprise and its importance for the economic development of the region, as well as for strengthening bilateral relations between Bulgaria and Turkey.

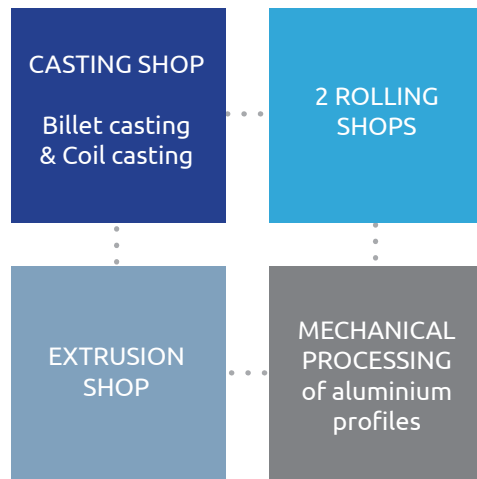
### March 2024, certificate for a priority investment project



Minister Milena Stoycheva presented a certificate for a priority investment project to "Alcomet" AD for the project "Expansion of the product range through the installation of a continuous casting line, production lines for profiles, a universal foil mill, and accompanying facilities." The investment project is related to the expansion of the existing production at the plant with the aim of diversifying the product range with the production of new products to meet the current market demand.

# OUR COMPANY

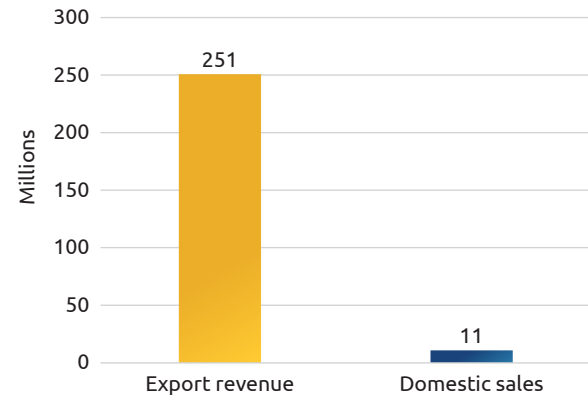
“Alcomet” AD is the largest Bulgarian manufacturer of rolled and extruded aluminium products and one of the leading producers in the Balkan region. The company operates a fully integrated production facility in Shumen, Bulgaria, featuring three main units: casting, rolling, and extrusion. Its diverse product portfolio includes aluminium household foil, technical foil, fin stock, strips, sheets, and custom extruded profiles, which are widely used in the construction, automotive, packaging, and mechanical engineering industries.



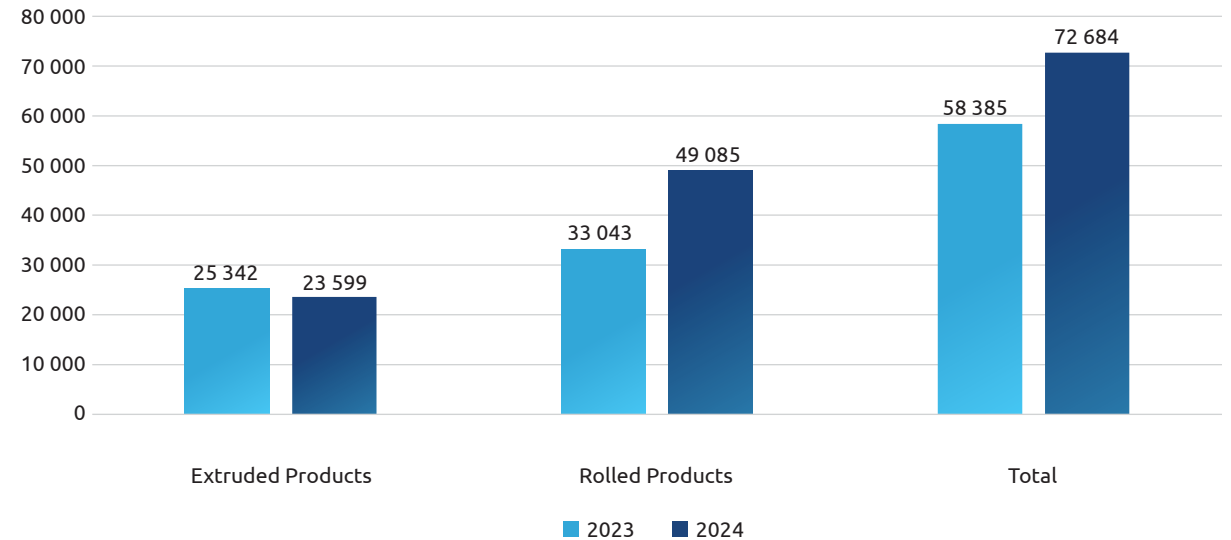
In 2024, Alcomet generated 512 million BGN in revenue, reflecting a significant 18.8% increase compared to 2023, largely driven by rising demand for rolled products.

This growth is primarily attributed to the strong performance of rolled products (up 48.5% in volume year-on-year), reflecting increased demand for sustainable packaging and industrial foil.

## Breakdown of Revenue by Market



## Sales in metric tons



Despite this growth, the company closed the year with a net loss of 5.4 million BGN, mainly due to increased production costs and a decline in press product sales. The EBITDA margin slightly decreased to 5.07%, down from 5.26% in the previous year. Operationally, Alcomet recorded a 30% increase in casting output and expanded its total production capacity to nearly 88,000 metric tons, supported by strategic investments in new equipment and infrastructure.

Looking ahead, Alcomet is pursuing a three-year investment program valued at approximately 69.7 million EUR, aimed at boosting manufacturing capacity, introducing new item types, and enhancing product quality through advanced technologies.



“

Fikret Kuzucu,

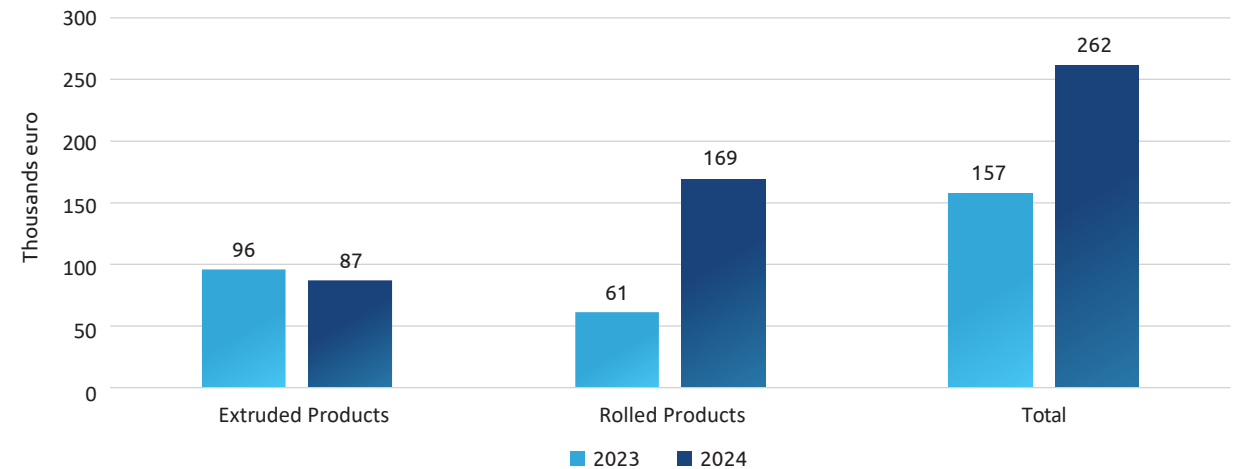
Chairman of the Supervisory Board

*Our new investment signifies a transformative step for Bulgaria’s industrial sector, accelerating economic development and playing a crucial role in our commitment to a sustainable economy.*

*At Alcomet, we firmly believe that this new facility is not just a breakthrough for our company, but a vital contribution to the Bulgarian economy as a whole. It will strengthen the economic chain across the country and revitalize the local community, creating new job opportunities and fostering innovation.*

”

### Saled production



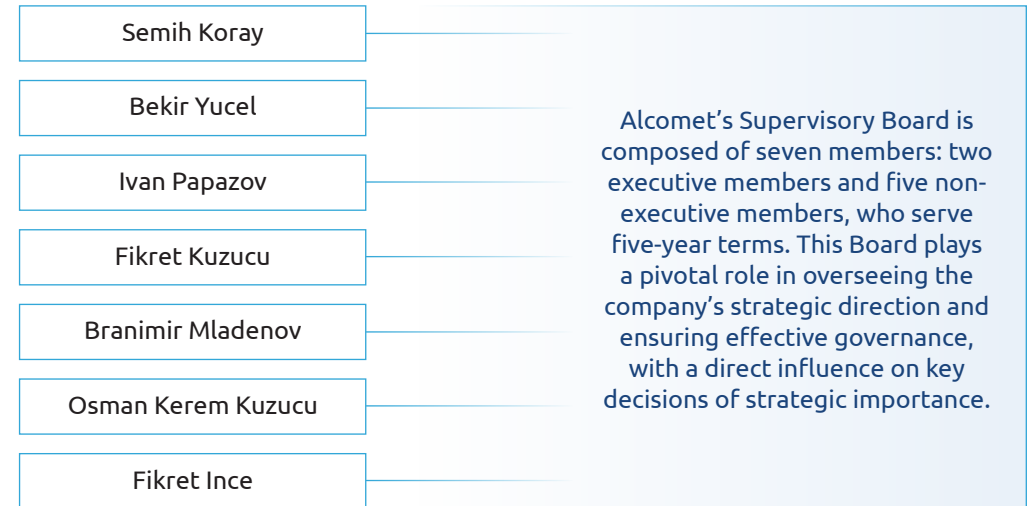
## Organizational Structure and Governance

A key element of “Alcomet” AD’s corporate governance framework is its two-tier system, which consists of a Supervisory Board and a Management Board. This structure aligns with best practices for oversight and accountability. During the reporting period, the boards include both executive and non-executive members, ensuring that the composition meets the company’s legal requirements and supports its strategic objectives, particularly in its key markets in Europe and North America. As of the entry dated 12 February 2025 in the Commercial Register, the Company is managed and represented by two Executive Directors – Huseyin Umut Ince and Semih Baturay.

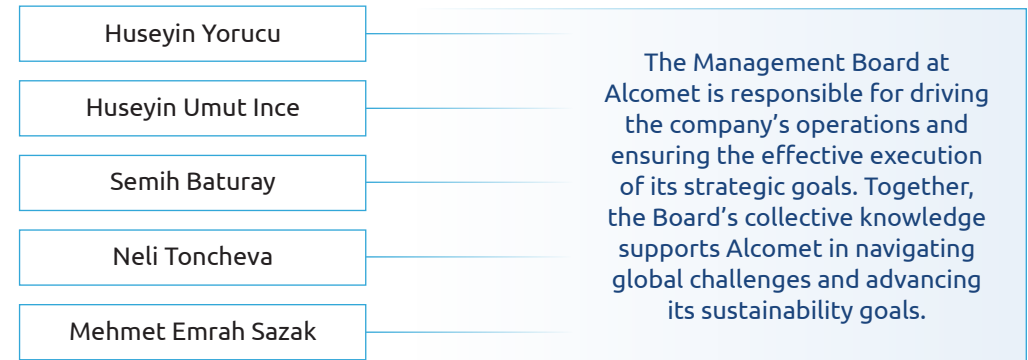
“Alcomet” AD operates under a clear corporate governance framework designed to promote transparency, accountability, and alignment with stakeholder interests. The highest governing body is the General Meeting of Shareholders, held annually to decide on key matters such as board appointments and remuneration, financial statement approval, profit distribution, and changes to the Articles of Association or share capital. The adopted Corporate Governance Program ensures:

- Protection of fundamental shareholder rights.
- Equal treatment of all shareholders, including minority and foreign ones.
- Recognition of stakeholder rights and promotion of effective cooperation to foster prosperity, job creation, and sustainable development.
- Timely and accurate disclosure of company-related information, including financial performance, ownership, and operations.

### Supervisory board



### Management board



As part of the Annual Financial Report, Alcomet publishes a detailed review of the Remuneration Policy's implementation. For the highest governance body and senior executive positions, the company implements a remuneration policy designed to align with shareholders' expectations for sustainable and socially responsible growth. Fully compliant with the Labor Code, the policy aims to attract and retain skilled professionals while avoiding conflicts of interest and ensuring fairness in all aspects, free from discrimination.

The General Meeting of Shareholders, held on June 14, 2024, in Shumen, Bulgaria, brought together key stakeholders, including Alumetal AD, Elana High Yield Fund, and Universal Pension Fund "Syglasse", who participated either in person or by proxy. This meeting served as an important platform for reinforcing shareholder rights and aligning with the company's long-term strategic goals. During the meeting, shareholders voted on several critical decisions:

- Approval of the 2023 financial report
- Appointment of external auditors for 2024
- Discharge of Supervisory Board members from responsibility for the reporting period

#### Alcomet's Board competency

The members of Alcomet's Supervisory and Management Boards possess professional knowledge and experience appropriate for their roles. They are familiar with the legal and financial aspects relevant to the company's operations and demonstrate competencies aligned with the sectors and markets in which Alcomet operate. The competencies, rights, and obligations of the members of the Management Board adhere to legal requirements, organizational regulations, and standards of good professional and management practice.

4 out of 7 people of the Supervisory Board members are independent, in line with good corporate governance practices and the company's founding documents. Inde-

pendent members act impartially and in the best interests of the company, free from any conflicts of interest.

#### Being part is important

Employees and other workers are not directly represented as members of Alcomet's administrative, management, or supervisory boards. However, the company ensures structured participation of our workforce through three formal mechanisms:

##### 1. Health and Safety Committee (HSC)

This organization is formed on a parity basis, comprising five employee representatives and five employer representatives. It was elected by the General Meeting of Shareholders and meets quarterly to discuss issues related to workplace safety, working conditions, and employee well-being.

##### 2. Information and Consultation Committee

This organization is composed entirely of elected employee representatives. It includes nine members and convenes quarterly. The committee provides a platform for dialogue between employees and management on matters such as working environment, organizational developments, and employee rights.

##### 3. Two workers syndicate organizations

These organizations ensure compliance with national labor legislation, advocate for improved wages and social benefits through the Collective Labor Agreement, and engage in dialogue concerning employee needs, expectations, and climate change-related matters.

#### How we operate sustainability

Oversight of sustainability leadership at "Alcomet" AD is carried out through our Integrated Management System (IMS). The Director of Sustainability is officially appointed as management representative under ISO 14001 and ASI standards by order of the Executive Members of the Management Board, who also supervise the execution of these responsibilities. A vertical reporting structure ensures accountability, flowing

from the Sustainability Director to Executive management, and from there to the Chairperson and Deputy Chairperson of the Supervisory Board. Communication occurs through reports, emails, and direct meetings.

Executive management takes part in annual IMS review meetings, where they assess:

- Environmental and social performance.
- Stakeholder expectations.
- Risks and opportunities.
- Progress on sustainability targets.

These meetings lead to new objectives and corrective or preventive actions. All sustainability procedures are integrated across internal functions. The Board includes ESG factors in strategic planning, risk management, and major corporate decisions such as CAPEX, as outlined in the Financial Statements.

What we do is to apply a structured incentive scheme, managed by a Committee of Employer representatives, features a suggestion register where employees can submit ideas related to ESG (Environmental, Social, and Governance) initiatives. These suggestions are reviewed by an internal incentive committee, which assesses their admissibility and determines any additional remuneration. Suggestions for improvement can be made in all areas, including Quality, Environment, Occupational Health and Safety, Business Development, and Environmental, Social, and Governance (ESG). Three fixed cash prizes are established, determined based on the significance of the suggestion.

Sustainability-related risk management is embedded in the IMS via topic-specific risk registers, reviewed annually or when new material risks arise. Risks are classified by significance and reviewed during management meetings, with updates reflecting stakeholder expectations and operational changes. Findings are integrated into operations and reported at least annually to ensure oversight by both the Management and Supervisory Boards.

# BUSINESS THROUGH SUSTAINABILITY

## Our Business Model

Alcomet stands as a leading producer of both rolled and extruded aluminium products in the Balkans, strategically located in Bulgaria. At our production plant, we boast a unique setup with a fully integrated production cycle spanning three primary workshops: casting, rolling, and extrusion. Equipped with cutting-edge technology, these facilities enable us to manufacture a diverse range of rolled and extruded products while upholding stringent technical and quality standards.

In 2024 we did not introduce changes to its product structure. The company continues to offer a well-diversified portfolio of aluminium-based products, which includes:



**Strips, and sheets**



**Foil** (household, container, technical, finstock)



**Profiles - standard and special**

These groups reflect Alcomet’s core industrial competencies and support its integration into European supply chains across the packaging, mobility, energy, and construction sectors.

Alcomet operates a vertically integrated business model positioned primarily in the midstream of the aluminium value chain. The company is not directly involved in the upstream activities such as bauxite mining, alumina refining, or aluminium smelting. The company direct activities are related to transforming purchased primary and secondary aluminium into high-quality aluminium products for diverse industrial applications.

In the **upstream value chain**, Alcomet relies on suppliers to source primary and secondary aluminium, along with essential raw materials, spare parts, and consumables. These inputs significantly impact production quality and timely delivery. The company also uses internally generated scrap as part of its circular material flow.

The company’s proactive approach to supply chain diversification, including partnerships with suppliers in Oman, Bahrain, Kazakhstan, and Egypt, is crucial for minimizing market risks and ensuring stable operations.

Alcomet’s **core operations** include melting (both purchased and internal scrap), casting into billets and coils, followed by cold rolling and extrusion to produce semi-finished products (strips, sheets, foils and profiles). These are subsequently processed into finished products, which are packaged and prepared for dispatch.

In the **downstream value chain**, Alcomet delivers its products to B2B clients. All our products undergo further processing by our customers, and once transformed into finished goods, they are sold in the end market. It maintains strong relationships through tailored R&D collaborations, ensuring product innovation and responsiveness to customer needs.

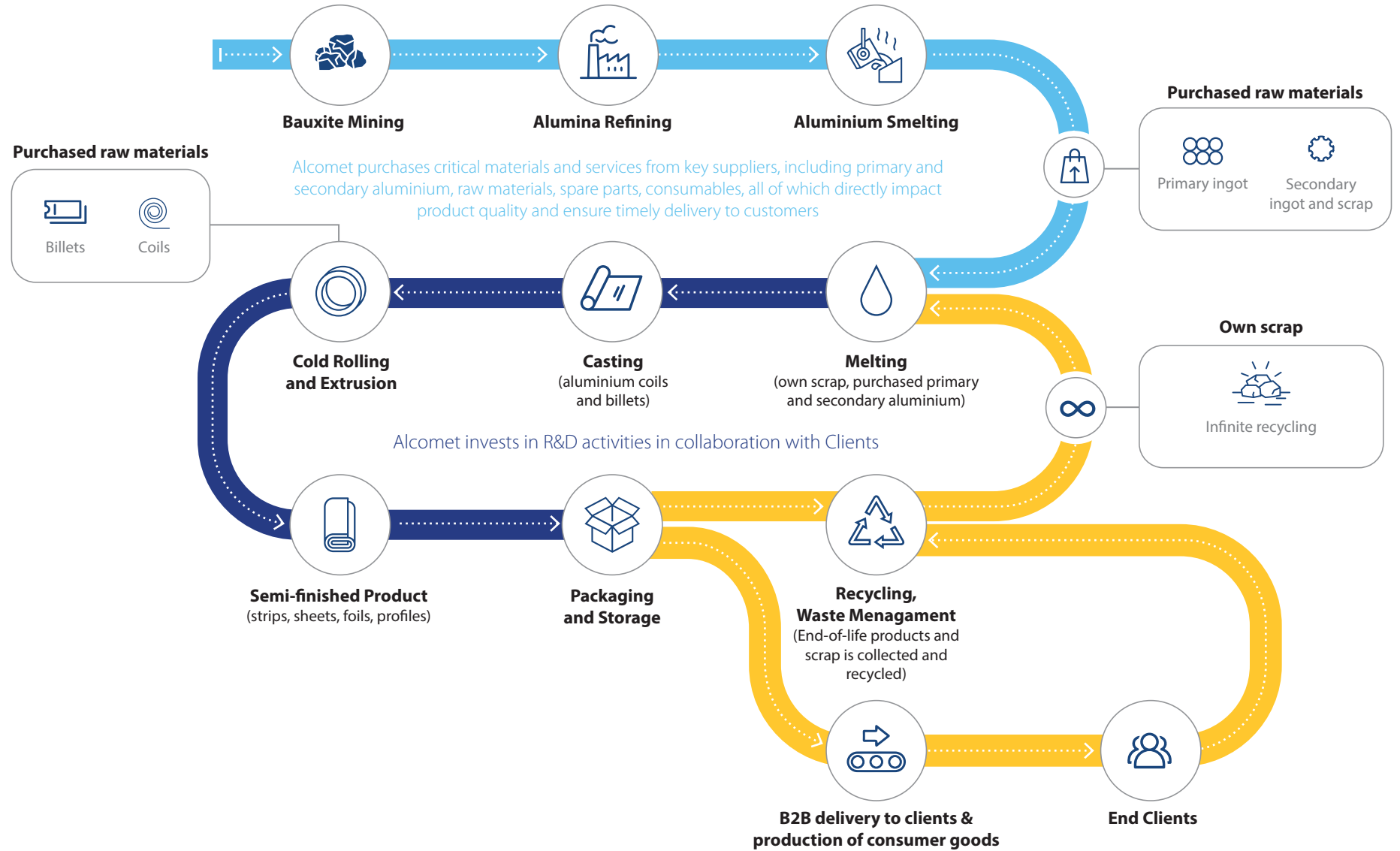
The company is strongly committed to circularity. It operates a recycling and waste management system where end-of-life products and production scrap are collected and reintegrated into production. Alcomet supports broader recycling initiatives, including potentially financial contributions to external programs, reinforcing its position in a circular economy model.

Alcomet serves a diversified industrial client base, including the **automotive & transportation, metal processing, construction, and packaging** sectors. Geographically, it is positioned as a European market leader, with **83% of revenue from Europe, 15% from the USA, and 2% from other regions.**

Alcomet’s position in the value chain bridges upstream raw material supply and downstream product distribution, reinforcing its role as a central link in the aluminium industry’s circular economy.



## Alcomet Value Chain



Upstream value chain    Own operations    Downstream value chain

## Markets and products

Our products	
Rolled Products	Extruded Products
Household foil	Profiles for building and architecture
Container foil	Profiles for automotive and transportation
Converter foil	Profiles for distribution
Technical foil	Industrial profiles
Finstock	
Sheets and strips	

Alcomet’s operations are highly export-oriented, with 96.5% of revenue in 2024 generated from international markets, primarily within the European Union. The most significant customer countries include Germany, Poland, Italy, Spain, and the Netherlands, indicating a strong presence in Western and Central Europe.

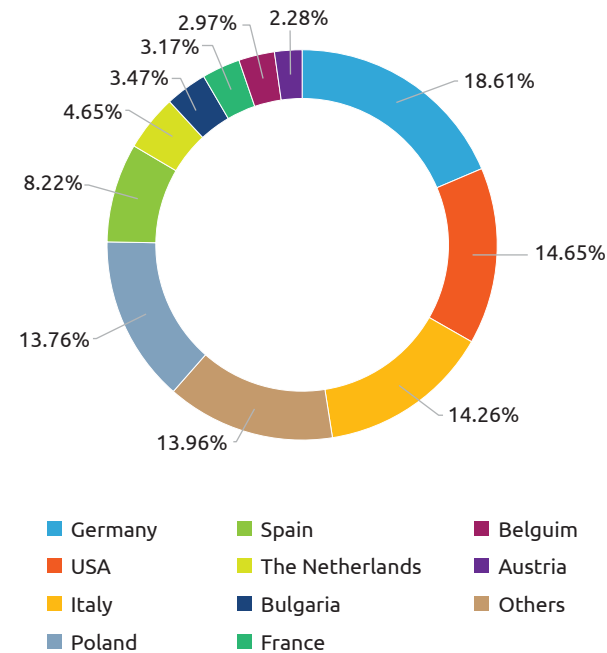
During the reporting period, we doubled our sales volume in the USA while maintaining our key markets in Germany, Italy, and Poland.

The year saw significant growth, with sales volume increasing by approximately **25%** compared to 2023. Our rolled product sales volume increased by **48.55 %**, while demand for extruded products saw a slight decline of 6,88% due to the global economic slowdown and a shrinking construction sector. The US market showed a positive trend, with a 9% increase due to greater demand and insufficient local production and

we expect this trend to continue into 2025, presenting an opportunity for us to expand our extruded product offerings in the US. Additionally, in 2024, we expanded into four new markets, with plans to further develop our markets in Canada.

The German automotive industry, one of our key clients, faced challenges, with vehicle registrations dropping by **16%** between 2019 and 2024, exceeding the global average decline of 9%. This decline resulted from reduced car demand, increased competition, inflation, high energy and labor costs and geopolitical instability. As a result, sales volumes in Germany and Europe were negatively impacted, directly affecting our sales in certain markets.

Top 10 countries by sales in MT for “Alcomet” AD, 2024



## Memberships and professional network

### Industry associations

- European Aluminium
- GLAFRI
- European Aluminium Foil Association (EAFA)
- Bulgarian Association of the Metallurgical Industry (BAMI)
- Confederation of Employers and Industrialists in Bulgaria (KRIB)
- Bulgarian Federation of Industrial Energy Consumers (BFIEK)
- Aluminium Stewardship Initiative (ASI)
- Confederation of Employers and Industrialists in Bulgaria

### Non-profit and community organizations

- American Chamber of Commerce in Bulgaria (AmCham)
- Bulgarian Turkish Chamber of Commerce (Mr Fikret Ince, who is a member of our Supervisory Board, has also acted as Honorary President of the Bulgarian Turkish Chamber of Commerce for more than three years)

## Business strategy

Our purpose is to be a responsible and resource-efficient company offering innovative solutions to our clients and providing opportunities to our partners.



## Our Values

Our purpose is to be a responsible and resource-efficient company offering innovative solutions to our clients and providing opportunities to our partners.



### LOYALTY

Being a reliable partner to the customers who have placed their trust in us, offering them the best possible service and providing support to their development.



### RESPONSIBILITY

In our attitude towards the local community and the environment, our stakeholders and our partners.



### TRANSPARENCY

In our actions, our business strategy and corporate policy, by meeting the highest standards of honesty and professionalism.



### FLEXIBILITY

In our ability to adapt to the dynamic market conditions and ever-changing needs of our clients.



# SUSTAINABILITY APPROACH AND COMMITMENTS




## Sustainability strategy

The sustainability strategy ensures that Alcomet effectively addresses its sustainability impacts, risks

and opportunities in alignment with the commitments outlined in our [Sustainability Policy](#). It serves as a framework for creating specific policies, programs and initiatives, while establishing metrics to monitor performance and report on targets. The strategy undergoes an annual review through our double materiality assessment to evaluate the need for additional policies, actions and targets. The 2024 assessment conducted as the foundation for Alcomet’s sustainability statement, did not reveal significant changes requiring adjustments to our strategy.

This report highlights how our sustainability initiatives align with and support the Alcomet’s strategy. The Sus-

tainability Statement outlines impacts, risks and opportunities while addressing the material sustainability matters in further detail. None of the listed ESRS sectors are significant in terms of revenue for Alcomet.

Climate and Environmental impact	Circular Economy	Product Stewardship	Social	Governance
<b>C O M M I T M E N T S</b>				
<ul style="list-style-type: none"> <li>• Manage and reduce our environmental footprint across operations through consistent energy efficiency monitoring, investment in renewable energy and technological advancement.</li> <li>• Minimize and manage impact over the water, air and soil.</li> </ul> 	<ul style="list-style-type: none"> <li>• Increasing recycled content in our products.</li> <li>• Continue implementing circularity in our production process.</li> <li>• Effective waste management by proper treatment, minimizing waste generation and promoting reuse and recycling.</li> </ul> 	<ul style="list-style-type: none"> <li>• Focus on developing value-added products that meet the highest quality and sustainability standards.</li> <li>• Continue investing in R&amp;D.</li> </ul> 	<ul style="list-style-type: none"> <li>• Foster healthy and safe workplace, care and development of our employee.</li> <li>• Respect of human rights and diversity.</li> <li>• Open dialogue and support community well-being.</li> </ul> 	<ul style="list-style-type: none"> <li>• Adhere to high ethical standards that guide our operations and set clear expectations for our suppliers.</li> <li>• Our commitment to integrity and accountability is reinforced by measures that promote transparency, ethical conduct, security throughout our operations and value chain.</li> </ul> 

### Sustainability policies and guiding principles

Our sustainability strategy is underpinned by a range of policies. Alcomet’s [Code of Business Conduct & Ethics](#), [Supplier Code of Conduct](#), [Sustainability Policy](#) and [Social Responsibility Policy](#) form the overarching framework for managing material impacts and risks across our operations and value chain. These are further complemented by an Integrated Management System and further supported by several industry-specific certifications and labels. All policies are approved by the Board of Directors, reviewed annually and updated as new circumstances arise. They are reviewed with the annual management review or as necessary.

#### Key policies



**Sustainability Policy**



**Business Code of Conduct & Ethics**



**Social Responsibility Policy**



**Health & Safety Policy**



**Environmental Policy**



**Supplier Code of Conduct**

### Certifications and Standards



**IATF 16949**  
*Quality Management System*

Requirements for Automotive Production and Relevant Service Parts Organizations

A global standard developed by the International Automotive Task Force, focusing on continuous improvement, defect prevention and waste reduction in the automotive supply chain.



**ISO 9001**  
*Quality Management Systems*

A standard that sets out the criteria for a quality management system, ensuring consistent product and service quality and client satisfaction.



**ISO 14001**  
*Environmental Management Systems*

Specifies the requirements for an effective environmental management system, supporting environmental performance and sustainability objectives.



**ISO 45001**  
*Occupational Health and Safety Management Systems*

Provides a framework for improving employee safety, reducing workplace risks and creating better, safer working conditions.



**ISO 27001**  
*Information security management systems*

Defines key terms and concepts related to information security management.



**QUALANOD**  
*European Quality Label for Sulphuric Acid-Based Anodizing of Aluminium*

Ensures the anodizing process meets stringent technical and visual criteria for architectural aluminium components.



**QUALICOAT**  
*Quality Label for Liquid and Powder Organic Coatings on Aluminium for Architectural Applications*

Guarantees the high quality and long-term performance of coated aluminium products used in construction and architecture.



**KOSHER**  
Related to manufacturing and processing of aluminium items that may encounter food or beverages.



**CE & UKCA**  
Marking systems that indicate compliance with specific health, safety, and environmental protection standards for products required by certain markets.



**ASI (Aluminium Stewardship Initiative)**  
A significant initiative aimed at promoting sustainability in the aluminium industry.

Ensure that aluminium is produced and processed in a responsible and sustainable manner, covering the entire supply chain.



## Double Materiality Assessment Process

The analysis and assessment process involves active engagement with both internal and external stakeholders, a thorough review of existing data, and an evaluation of the impact of our actions on various aspects of sustainable development.

In preparing the 2023 Sustainability Report, we integrated the principle of double materiality for the first time. Our aim was to lay the groundwork for gradually incorporating this principle into future reports. Key topics were defined, along with their related impacts, risks, and opportunities. A general assessment of these topics was conducted with the involvement of a diverse range of department heads and units within “Alcomet” AD.

In 2024, we enhanced the materiality analysis and assessment approach used in the previous reporting period. The main highlights of this upgrade include:

- **Detailed Assessment:** A more comprehensive evaluation of impacts, risks, and opportunities.
- **Value Chain Analysis:** A deeper examination of the value chain.
- **Environmental and Industry Research:** Investigating environmental and industry-specific factors.

This upgraded approach enables us to perform a more accurate and substantiated assessment of materiality, which is essential for the sustainable development of the company.

The company’s strategic priorities and business plans, along with global trends, were incorporated to ensure a holistic approach. An analysis of Alcomet’s business model, value chain, and processes was conducted, utilizing data from previous sustainability reports. A map of the topics reported to date under the Global Reporting

Initiative (GRI) was created, followed by an analysis of their alignment with the ESRS standard.

### Participation in Discussions and Workshops

Alcomet actively participated in discussions and workshops organized by the European Aluminium Association (Europe Aluminium), including sessions of the Sustainability Committee. This engagement provided us with valuable insights into industry-specific sustainability practices and the requirements of the European Sustainability Reporting Standards.

### Review of ASI Standards

Our team also reviewed the latest version of the Aluminium Sustainability Reporting Standards (ASI) and engaged in discussions with our auditor, who confirmed our certification in 2024, highlighting the synergy between ASI and ESRS.

### Leadership and Process Overview

The entire process was led by Maya Chilikova, Sustainability Director, with support from external experts.

The Double Materiality Assessment process consists of the following main stages:

- **Transition from Previous Frameworks:** Analyzing GRI-reported topics and their compliance with European Sustainability Reporting Standards. This stage involves reviewing previously reported topics to ensure compatibility and timeliness of information.
- **Industry Specifics Review:** Analyzing trends, impacts, risks, and opportunities specific to the industry. This includes studying the competitive environment, regulatory requirements, and social expectations that may influence the business. This activity is performed annually.
- **Creation of Topic and IROs List:** We developed a list of ESG topics and associated impacts, risks, and opportunities, guided by the European Sustainability Reporting Standards (ESRS) and EFRAC guidelines. This list was created in 2023 and updated in 2024.

In compiling this list, all defined impacts, risks, and opportunities recorded within the Integrated Management System were considered. This includes the company’s general register of business risks and opportunities, the environmental risk register, the occupational health and safety risk register, and the stakeholder register. Additionally, all legally required data, impacts, risks, and opportunities reported to the Bulgarian Environmental Executive Agency are also included. The industry-defined specific IROs, which are part of the European Aluminium materiality assessment process, were also incorporated. The Alcomet team actively participates in this process at the European level.

**Stakeholder Survey and Interviews:** Conducting a survey to gather opinions and views from stakeholders, including customers, employees, investors, and local communities. This information is crucial for understanding their priorities and expectations. Interviews and meetings were conducted with representatives from the defined groups – clients, suppliers, employees, and local communities – to gain a more comprehensive understanding of their opinions and perspectives.

**Impact, Risk, and Opportunity Assessment:** Representatives from various departments of the company assess the identified impacts, risks, and opportunities. This collaboration ensures a diversity of perspectives, enhancing the accuracy and objectivity of the assessment.

**Our company defines its time horizons for risk, opportunity, and impact assessments as follows:** short-term (up to one year), medium-term (one to five years), and long-term (beyond five years). These classifications align with the ESRS guidelines. Additionally, when evaluating and incorporating material risks and opportunities into our strategic planning, we adjust our approach based on our analysis in our “Registers for opportunities and risks”. Persistent risks are reviewed within the current year – monthly, 3-month periods, while emerging risks are considered over periods exceeding over the year.

**Prioritization of Topics:** Following a comprehensive analysis and additional data gathering, we prioritize the identified topics. Key ESG topics of greatest importance to the company and its stakeholders are determined.

**Defining Tracking Indicators:** In the final stage, specific indicators are established to track progress on material topics, impacts, risks, and opportunities. These indicators will enable the company to measure and report on its effectiveness in sustainability management.

This structured approach not only provides a foundation for informed decision-making but also allows the company to identify and prioritize key sustainability aspects that impact our operations. The goal is to achieve an objective result from the **Materiality Assessment**, enabling us to track our impacts, identify optimization opportunities across various processes, and minimize negative effects.

#### Impact Assessment

In assessing the company’s impacts, several criteria were considered:

- **Scale:** Ranging from minor **1** to serious **5**.
- **Scope of Impact:** Varying from individual **1** to widespread **5**.
- **Remendability:** Applicable only to negative impacts, ranging from easy to remedy **1** to very difficult **5**.
- **Probability of Occurrence:** Ranging from very unlikely **20%** to expected **80%** or actual **100%**.

The final score for each impact can range from 1 to 25, which is categorized into five levels of materiality. Only topics with a final score above 16 are considered “material” for sustainability reporting. The materiality threshold is set in line with the materiality threshold for all other business impacts and risks defined in the Integrated Management System.

Positive impacts are similarly evaluated by relative scale and reach.

#### Our approach to risk management

Effective risk management is essential to navigating change and ensuring the successful execution of our business strategy. By identifying, analyzing reporting and mitigating key risks, we proactively protect our stakeholders, maintain operational continuity and drive sustainability.

At Alcomet, the risk management process is defined as part of the Integrated Management System and operates to ensure a structured process. Risk management begins with the identification and evaluation of risks using the defined methodology within the IMS. Risks are then categorized to prioritize management efforts based on established tolerance thresholds. Significant risks are actively managed until an acceptable risk level is achieved, while remaining risks are monitored and subject to regular re-evaluation.

#### Risk Management Process at Alcomet



**Identification** – Potential risks are identified through data analysis of processes, the operating context, and expert input. IMS-related risks are maintained and reviewed annually or when critical situations arise that may reveal new risks.



**Assessment** – Risks are evaluated based on their likelihood and potential impact, including analysis of possible consequences and severity. They are categorized into five levels (low to very high) to guide the prioritization of risk management efforts.



**Response** – Identified risks and corresponding mitigation measures are documented and reported to the Management

Board. Mitigation actions are proposed by Department Heads, approved by the Management Board, assigned to responsible parties, and regularly updated to reflect newly identified significant risks.



**Monitoring** – Risk management progress is continuously tracked, with formal reporting conducted at least annually or as needed.

Our governance structure ensures a proactive and structured approach to risk management, enabling us to identify, assess, and address potential challenges before they escalate. The Management Board ensures the effective establishment and oversight of a comprehensive risk management system, encompassing internal control and internal audit mechanisms. Regular and timely updates are provided to the Supervisory Board to ensure transparency, accountability and informed decision-making in alignment with the company’s governance framework. The Supervisory Board advises the Management Board on the development of the Risk Management System. The Audit Committee plays a key role in monitoring the effectiveness of financial reporting, internal controls and risk management processes. Additionally, it provides recommendations for continuous improvement, reinforcing our commitment to transparency, compliance and operational resilience.

Key risks assessment 2024:

Significant Risks are presented into the following key areas:

Business area	Significant risks & potential impacts	Mitigation measures
<b>Strategy &amp; Leadership</b>	Alcomet faces several strategic risks that could impact performance, including management decisions based on incomplete or inaccurate data, potential loss of key certifications and insufficient resources for strategic goals. External threats such as geopolitical tensions, inflation, energy supply risks and trade restrictions may further affect operations and the overall business strategy. Regulatory non-compliance could also lead to cost increases and reduced competitiveness.	A set of proactive measures including process monitoring through KPIs/PPIs, strengthened governance via responsible management representative for the relevant standard/topic, investment program and robust financial analysis are implemented. Key actions also focus on maintaining operational continuity, engaging stakeholders, mitigating supply chain risks linked to sanctions. Alcomet is preparing for upcoming EU regulations by addressing carbon tax implications, reporting recyclable material use in packaging, declaring recycled aluminium content in its products, ESG reporting requirements.
<b>Human resources</b>	Alcomet is challenged by a limited availability of qualified personnel and occasional skill mismatches in certain roles. These factors may lead to reduced efficiency, performance gaps, product quality issues.	Develop and implement a structured training program supported by a competency matrix to ensure employees have the necessary skills for their roles and to support continuous development aligned with business needs. Attract talents from beyond the local region.
<b>Market</b>	The company faces sales risks from global trade disruptions, declining demand on certain markets (Germany), geopolitical tensions, intensified by limited product portfolio and technical constraints leading to missed market opportunities.	Ensure framework agreements with key clients and recertification of IATF 16949:2016 with a broader scope to include automotive rolling products. Establish continuous direct and remote communication with the Legal Department across administrative divisions (Supply, Sales, HR & Administration) to maintain smooth operations. Regular consultations with clients and suppliers. These actions are in alignment with our solid investment program, supporting production expansion and new market reach.
<b>Supply chain &amp; Production planning</b>	The ongoing geopolitical instability and tensions in certain regions (e.g. Russia-Ukraine conflict) may pose significant risks to securing essential raw materials for the company and contribute to pricing fluctuation. Delays in meeting regulatory requirements may lead to fines and a resulting loss of competitiveness, operational disruptions and financial strain.	Taking proactive measures to secure essential raw materials by contracting new suppliers. Establish continuous direct and remote communication with the Legal Department across administrative divisions (Supply, Sales, HR & Administration) to stay up to date with regulatory requirements, address pricing challenges and strengthen competitiveness.
<b>R&amp;D</b>	The risk of inaccuracies and errors due to communication gaps between R&D and other departments could lead to delays and reduced product quality. This could ultimately impact project timelines and the overall success of the company's initiatives.	Implementation of a communication matrix, along with improvements and changes to relevant procedures, driven by initiatives and approval from the relevant departments.
<b>Production</b>	The company faces potential challenges, including production delays and reduced efficiency due to equipment maintenance and accidents along with the need for skilled employees to maintain technological discipline and safety standards. There is a risk of non-compliant products being blocked before shipment or inadvertently shipped to customers, requiring careful oversight. Using dies beyond their lifespan or lacking backups could present operational challenges that need proactive management.	An investment program, contingency plans and training initiatives in partnership with universities and schools are implemented. Attract talents from beyond the local region. Upgraded ERP and MES (Manufacturing Execution System) systems are in place for planning, production monitoring, optimization and non-compliance control at each stage. The MES system acts as a bridge between the ERP and the actual manufacturing processes. The availability, condition and usage of dies is controlled by software controls. Alternative suppliers are secured through contingency plans.
<b>Quality</b>	Quality may be compromised by potential issues such as product quality deficiencies, recurring defects, gaps in quality control, along with the risk of technical failures and the obsolescence of laboratory equipment, which could impact testing accuracy and reliability. These risks may result in financial losses due to customer complaints and reclamations.	Certified products are stamped with the inspector's seal and subsequently verified by a packaging operator. A digital database tracks inspections, certifications, non-compliant products and corrective actions. Customer complaints are managed through a dedicated database. Our investment program aims also at equipment modernization. Contracts with external specialized companies ensure proper maintenance.
<b>Logistics</b>	An operational risk is the potential failure to meet deadlines for dispatch and delivery.	A specialized software for production planning has been implemented. Our Manufacturing Execution System (MES) is continuously being developed and enhanced to improve efficiency and ensure timely delivery.

While we outline key risk categories and mitigation activities, these do not cover all potential risks. We recognize that emerging or currently less material risks may impact our business in the future. In alignment with the Corporate Sustainability Reporting Directive (CSRD), our double materiality assessment (DMA) evaluates both the financial impact of ESG risks on our business performance and our broader impact on the environment, society and the economy. Starting in 2025, defined as material ESG-related risks and opportunities will be integrated into our risk assessment procedure to ensure continuous evaluation, management and tracking.

Our IMS establishes a strong control environment with clear guidelines, an efficient organizational structure, and well-defined roles and responsibilities. Compliance is ensured through an internal audit framework and external audits. Risk management is an integral part of daily operations. Department Heads actively identify and assess risks, define mitigation measures and report progress and new concerns to the respective Management Representative. The IMS Coordinator ensures risk assessments are documented, tracks mitigation efforts and flags emerging business risks. Management Representatives oversee the overall process of evaluating and mitigating risks and reporting key insights to the Management Board. This collaborative approach ensures timely responses and continuous improvement across all levels of the organization.

Alcomet’s sustainability metrics are managed within a comprehensive accounting framework, incorporating a structured controlling system, reporting methodologies, verification processes and data management protocols grounded in the IMS. The financial and sustainability reporting process is also dependent on the IT systems. Any weaknesses in system controls and related risks to the financial and sustainability reporting are mitigated by both manual and automated controls.

### Stakeholder engagement

At Alcomet, we prioritize dynamic interactions with our stakeholders to enhance business performance and drive sustainable growth. We are dedicated to integrating the needs and interests of key stakeholders into our management and decision-making processes.

To effectively manage sustainability, we systematically identify key stakeholders and assess their influence on our operations. Our Integrated Risk Management system includes evaluating stakeholder requirements, which is essential for strategic planning and informed decision-making. Stakeholder input is integral to our risk assessments and strategic planning, facilitated through continuous dialogue across various engagement channels.

Plans have been drawn up for working with the following groups of interested parties:

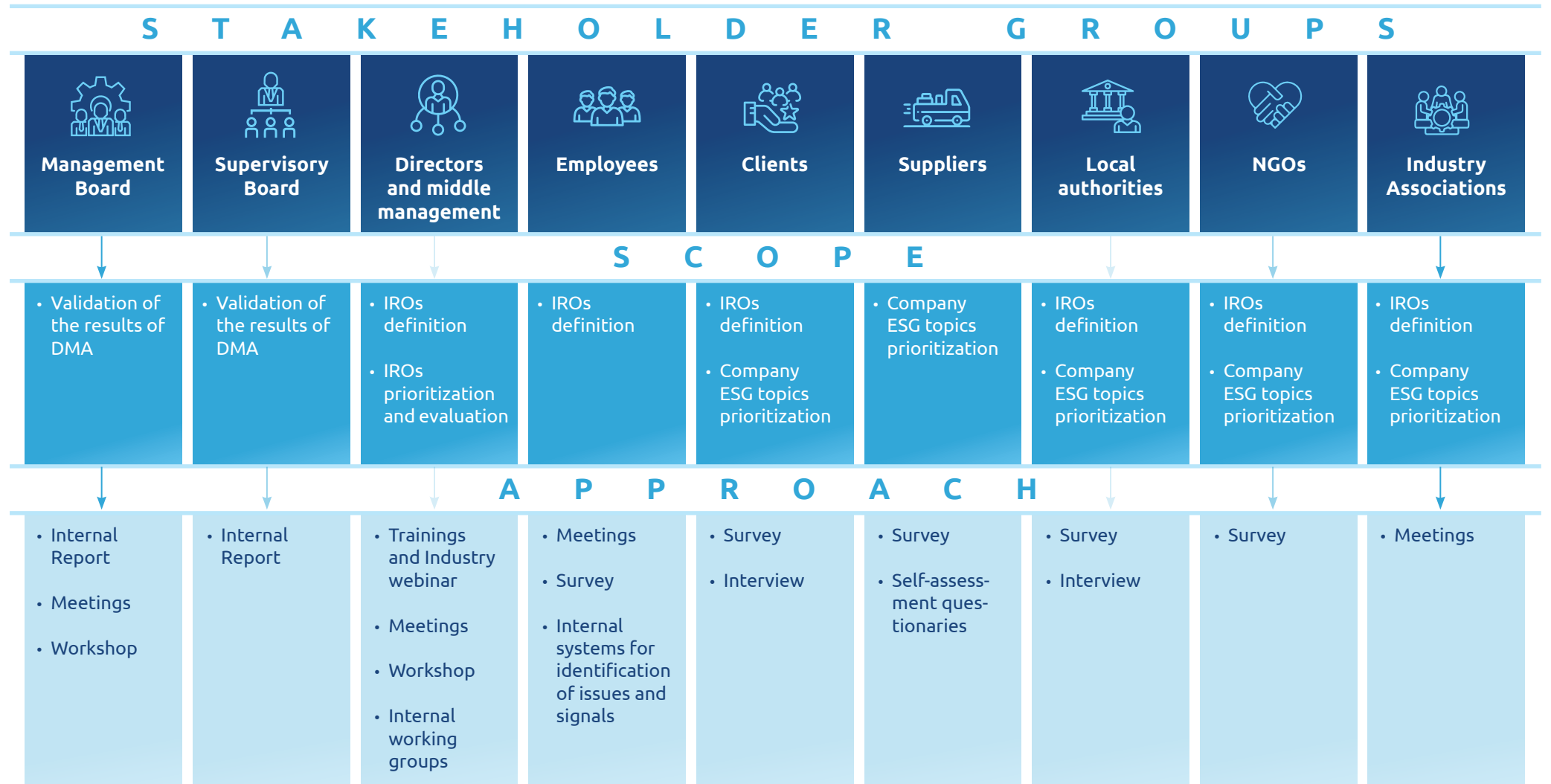


We have developed a comprehensive plan for engaging and managing each stakeholder group, which includes:

- Identification of potential risks and interactions.
- Designation of responsible individuals and departments.
- Specific actions to manage risks and capitalize on opportunities.
- Defined implementation timelines.

This structured approach ensures effective stakeholder management and fosters positive relationships.

The following stakeholder groups were involved in the materiality analysis and assessment process:



## Material Impact, Risk and Opportunities

### ENVIRONMENT – MATERIAL IMPACTS

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
E1	Climate & Decarbonization	⊖	Greenhouse gas emissions from the production of aluminium products.	✓	✓		Short-term
E1	Climate & Decarbonization	⊖	Greenhouse gas emissions from the transportation of raw materials, products, and waste.	✓	✓	✓	Short-term
E1	Climate & Decarbonization	⊖	Energy consumption in the production of primary aluminium.	✓	✓		Short-term
E4	Biodiversity & Ecosystems	⊖	The topic is industry relevant, but the company has no direct relationships with organizations involved in the extraction or processing of bauxite/alumina where are the material impacts. Alcomet maintains contractual relationships only with companies that trade in finished primary aluminium products, not with entities directly involved in upstream operations.	✓			Short-term
E5	Circular economy & Waste management	⊖	Use of primary aluminium.	✓	✓		Short-term
E5	Circular economy & Waste management	⊖	Use of secondary aluminium.	✓	✓		Short-term
E5	Circular economy & Waste management	⊖	Use of oils, lubricants, and reagents.	✓	✓		Short-term
E5	Circular economy & Waste management	⊕	Promoting circularity in the production and use of aluminium by using recycled raw materials such as secondary aluminium and scrap.	✓	✓		Short-term

Positive impact ⊕ Negative impact ⊖ Opportunity ✦ Risk ⚠ Short-term Medium-term Long-term

## ENVIRONMENT – MATERIAL RISK & OPPORTUNITIES

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
E1	Climate & Decarbonization	⚠️	Increase in the prices of electricity, fuels, and overall business contraction.	✓	✓	✓	Short-term
E2	Climate & Decarbonization	⚠️	Lack of transparency towards stakeholders – omission of all required data under certifications due to focus mainly to ESRS indicators.		✓		Short-term
E5	Circular economy & Waste management	⚠️	Procurement of materials through a concentrated supply chain and risk of rising prices for primary resources, especially primary aluminium.	✓	✓		Short-term
E5	Circular economy & Waste management	⚠️	Insufficient availability of recycled and recyclable raw materials (scrap).	✓	✓		Short-term
E5	Circular economy & Waste management	⚠️	Unpredictable threats to the supply of key raw materials due to geopolitical tensions arising from the Russia–Ukraine and Israel–Gaza military conflicts.	✓			Short-term
E1	Climate & Decarbonization	🔄	Development of a climate change adaptation plan.		✓		Short-term
E1	Climate & Decarbonization	🔄	Implementation of decarbonization measures leading to reduced energy consumption costs.	✓	✓	✓	Short-term

Positive impact + Negative impact - Opportunity 🔄 Risk ⚠️ Short-term Medium-term Long-term

## SOCIAL – MATERIAL IMPACTS

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
S1	Working conditions & Human rights	+	Ensuring fair remuneration and a good standard of living.		✓		Long-term
S1	Working conditions & Human rights	+	Collective labor agreement (currently in force since 01.02.2024) with negotiated additional working conditions beyond those provided for in the Labor Code.		✓		Medium-term
S1	Working conditions & Human rights	+	Provision of additional social benefits (beyond the minimum required by the Labor Code), creating a favorable work-life balance environment for employees.		✓		Medium-term
S1	Occupational Health & Safety	+	Implementation of occupational health and safety measures that exceed the minimum legal requirements.		✓		Long-term
S1	Occupational Health & Safety	+	Regular health and safety training for every employee.		✓		Long-term
S1	Occupational Health & Safety	+	Achievements in ensuring a safe working environment through regular incident tracking and measures to reduce incidents.		✓		Long-term
S1	Occupational Health & Safety	+	Assessment of risks and opportunities related to safe working conditions.		✓		Long-term
S2	Working conditions & Human rights	+	Maintaining healthy and safe working conditions by suppliers of key raw materials.	✓			Medium-term

Positive impact Negative impact Opportunity Risk 
 Short-term Medium-term Long-term

## SOCIAL – MATERIAL IMPACTS

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
S2	Working conditions & Human rights	+	Collecting information from suppliers and partners regarding working conditions.	✓		✓	Short-term
S2	Working conditions & Human rights	+	Compliance with ethical standards by suppliers and partners – Alcomet’s Supplier Code of Ethics.	✓		✓	Short-term
S3	Affected Communities	+	Volunteering programmes, donations, and sponsorships.		✓	✓	Medium-term
S3	Affected Communities	+	Improving the quality of life in the region.		✓	✓	Short-term
S4	Affected Communities	+	Investments for sustainable business growth.		✓		Short-term
S4	Affected Communities	+	Contributing to the economic development of the region through business relationships and support of local businesses.		✓	✓	Medium-term
S4	Affected Communities	+	Providing employment as one of the top employer of the region.		✓	✓	Medium-term
S4	Affected Communities	+	Paid social security contributions and taxes.		✓	✓	Medium-term

Positive impact + Negative impact - Opportunity ✦ Risk ⚠ Short-term Short-term Medium-term Medium-term Long-term Long-term

## SOCIAL – MATERIAL IMPACTS

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
S4	Product Stewardship & Quality	+	Ensuring high quality and value-added products through implementation of corporate standards and quality and safety initiatives (e.g., QMS).		✓		Short-term
S4	Product Stewardship & Quality	+	Product lifecycle assessment and conducting accordingly measures.	✓	✓	✓	Medium-term
S4	Product Stewardship & Quality	+	Traceability of the origin of raw materials used.	✓	✓	✓	Medium-term
S4	Product Stewardship & Quality	+	Monitoring of production and quality control to ensure products meet customer requirements.	✓	✓	✓	Long-term
S1	Working conditions & Human rights	!	Lack of qualified personnel; difficulties in recruiting employees, particularly with technical and engineering profiles.		✓		Long-term
S4	Affected Communities	!	Economic and industrial downturn in Germany (Alcomet's main market).		✓		Medium-term
S1	Working conditions & Human rights	+	Attraction of promising qualified personnel through offering better conditions compared to the other companies in the region.		✓		Medium-term
S2	Working conditions & Human rights	+	Integration of social criteria into overall supplier selection and improvement of working conditions across the supply chain.	✓	✓		Medium-term
S3	Affected communities	+	Business projects with small and medium-sized enterprises from the region.	✓	✓	✓	Long-term

Positive impact + Negative impact - Opportunity + Risk ! Short-term Medium-term Long-term

## GOVERNANCE – MATERIAL IMPACTS

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
G1	Business Ethics	+	Implementation of ethical governance principles, and good governance practices.	✓	✓		Short-term
G1	Business Ethics	+	Comprehensive sustainability management within the company – Sustainability Director.		✓		Short-term
G1	Supply Chain Management	+	Supplier audits based on environmental and social performance criteria.	✓			Short-term
G1	Supply Chain Management	+	Monitoring the quality of materials, products and services.	✓	✓	✓	Short-term
G1	Technology & Development	+	Research and development projects.	✓	✓	✓	Short-term
G1	Technology & Development	+	Investments in equipment enabling the production of new products.	✓	✓	✓	Short-term
G1	Technology & Development	+	Use of production technologies with lower environmental impact.	✓	✓	✓	Short-term
G1	Sustainable supplier	+	Support clients in achieving their sustainability commitments.		✓	✓	Short-term
G1	Sustainable supplier	+	Monitoring customer satisfaction, and planning improvements.		✓	✓	Short-term

Positive impact + Negative impact - Opportunity ✦ Risk ⚠ Short-term Short-term Medium-term Medium-term Long-term Long-term

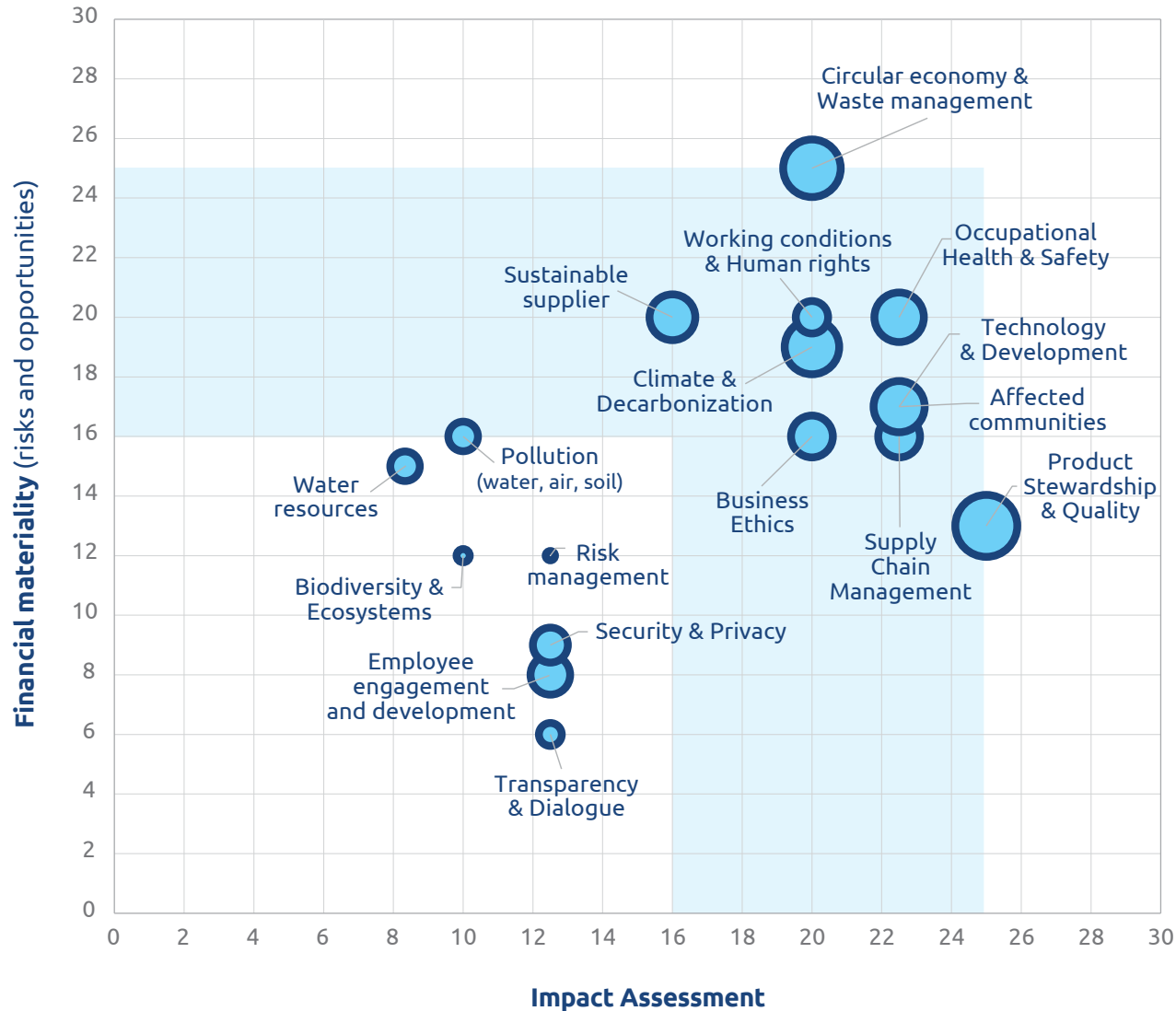
## GOVERNANCE – MATERIAL RISKS AND OPPORTUNITIES

ESRS	TOPIC	CATEGORY	DESCRIPTION	VALUE CHAIN			TIME HORIZON
				Upstream	Own operations	Downstream	
G1	Supply Chain Management	Risk	Lack of alternatives among suppliers and inability to secure raw materials in case of non-compliance with ESG criteria.	✓	✓		Short-term
G1	Supply Chain Management	Opportunity	Creation of a sustainable supplier register – classification and assessment of suppliers based on ESG criteria.	✓	✓		Short-term
G1	Technology & Development	Opportunity	Re-certification of IATF 16949:2016 with widen scope of management system to include automotive rolling products.		✓	✓	Short-term
G1	Technology & Development	Opportunity	Expansion of the company's product portfolio and know-how.		✓	✓	Short-term
G1	Sustainable supplier	Opportunity	Diversification into attractive markets such as battery foil and automotive products; entering new markets such as the USA, Canada and EU.		✓	✓	Short-term

Positive impact Negative impact Opportunity Risk 
 Short-term Medium-term Long-term



### Alcomet's Materiality Matrix



Based on the overall materiality assessment process and in particular the assessment of all identified impacts, risks and opportunities, we have identified the following material topics:

- Circular economy & Waste management
- Occupational Health & Safety
- Product Stewardship & Quality
- Climate & Decarbonization
- Working conditions & Human rights
- Technology & Development
- Affected communities
- Supply Chain Management
- Sustainable supplier
- Business Ethics

The size of the circles illustrates the importance of each topic to our stakeholders.

# SUSTAINABLE PARTNER





**Material Topics** *(Company specific-topic):*

- Product Stewardship & Quality
- Technology and development



**Key policies & guiding principles**

- ISO 9001:2015, EN 15088:2005, IATF 16949:2016, Kosher certificate, QUALANOD, QUALICOAT
- Complying with industry and customer quality requirements
- Adhering to best practices and exceeding legal standards



**Achievements**

- Expand product portfolio and develop value-added products.
- Re-certification of IATF 16949:2016 with widen scope of management system to include automotive rolling products.
- Maintain key certifications: ISO 9001:2015, EN 15088:2005, Kosher certificate.
- 10 R&D projects, 16 projects in production automatization.
- Improved integration amongst various software.
- Traceability of metal origin.



**Path Forward**

- Share of value-added products in total sales over 70% by 2027.
- Product Life cycle assessment (LCA) update by 2025.
- Placing battery foil on the market by 2026.
- 60% recycled content in aluminium foil .
- Extruded products capacity expansion by 30% by 2027.
- Further investing of EUR 69.7 million in modernization and automatization of our processes by 2030.
- Preparation and implementation of GMP & HACCP system in integrated QMS, as foundation of 2026 Food Safety Management System certification.

Alcomet’s commitment to sustainability is driven by a focus on product excellence, responsible supply chain management and technological innovation - topics that are material to our business and our key stakeholders. We aim to exceed industry standards, build long-term supplier relationships and drive sustainability and efficiency across the value-chain.

Our focus on product quality and client satisfaction is supported by robust quality management processes

and certifications and a goal to increase value-added products. In supply chain management, we prioritize suppliers who meet our quality and sustainability criteria. Investing in technology is central to our strategy, enabling us to enhance sustainability and meet the evolving needs of our clients. Through these efforts, we aim to position ourselves as a trusted partner, integrating sustainability into every aspect of our operations and striving to be the preferred supplier.



**Neli Toncheva,**  
Sales Director and  
Board Member

*Our intention is to grow together with our clients, positioning ourselves as strategic allies in their development journeys. Clients can count on us not only to fulfill their orders but also to collaborate on crafting and executing their unique development plans. We are dedicated to customizing products to meet their specific needs, working hand in hand to realize their objectives. Our commitment is to remain close to our clients, creating pathways for their growth and future opportunities.*



# PRODUCT STEWARDSHIP AND QUALITY

We embrace a market-driven approach to product stewardship. This involves the whole process from the client order to the use stage of the product. We invest in technological advancement, digitalization and innovation, production and management of our aluminium solutions in line with evolving market expectations for sustainability, product quality and safety and life-cycle responsibility along the value-chain. We aim to create added value for our key stakeholders, support the transition to a circular economy and reinforce our competitive positioning through responsible and future-oriented practices.

## Our guiding principles

Exceeding legal compliance, along with meeting industry and client-specific standards, is a fundamental principle of our approach to ensuring the highest product quality, produced in a responsible manner. Our dedication to meeting client expectations and fostering responsible economic growth is outlined in our Sustainability Policy. We are firmly committed to delivering safe, reliable and high-quality products, supported by comprehensive procedures and a wide range of certifications.

In 2024, we successfully conducted 18 external audits, including five on-site audits by OEM customers and audit institutions. These audits covered various management systems, such as ISO 9001, ISO 14001, ISO 45001, ISO 27001, CE & UKCA, IATF 16949, and the Aluminium Stewardship Initiative (ASI), resulting in confirmations or re-certifications of our certificates. Additionally, we renewed our standards for Kosher, Qualicoat, and Qalanod for powder-coated and anodized extrusion products.

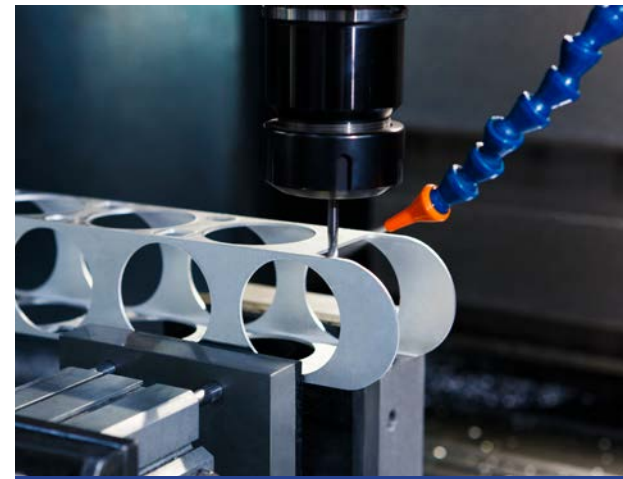
## Embedding quality in everyday actions

In 2024, we expanded our IATF 16949 certification to include rolled products, aligning with the requirements of the automotive industry. This not only strengthens our position as a reliable supplier but also opens new market opportunities by enabling us to offer high-quality and compliant products to a broader client base.

We are continuously working to maintain our certifications while expanding our business activities. This involves:

- Ongoing product performance and durability testing, preventive and corrective efforts.
- Regular internal and external audits and inspections.
- Targeted employee trainings.
- Client satisfaction monitoring.
- Suppliers monitoring.

These activities are essential to sustaining compliance, enhancing performance and ensuring the consistent delivery of high-quality, safe and reliable products.



## Value-added products

At Alcomet, we focus on delivering value-added products by differentiating our offerings and meeting client-specific needs. For the past five years, we have consistently exceeded the 60% target and with continuous investment to expand production capacity, we have set a more ambitious goal of 70% by 2027 to move forward.

Year	Share of value-added products in total sales
2020	50%
2021	55%
2022	68%
2023	64%
2024	64%



## Expanding products through technology development

We collaborate closely with our clients to design and manufacture products that meet both their current and future needs. We focus on innovation to deliver safer and more sustainable solutions, continually expanding our product range to serve a broader array of markets. This approach helps ensure business stability, even in the face of market fluctuations or challenging trends in our clients' industries.

Our Casting shop specializes in the production of **over 20 types** of aluminium alloys. The variations in dimensions and thermal conditions allow us to manufacture **tens of thousands** of different rolled and extruded products.

In 2024, we optimized existing product lines by increasing the variety of specifications offered, while maintaining core product families. Further, we have launched 10 projects related to process design to develop new rolled products and 480 new extruded profile items. We aim to expand our product portfolio by producing battery foil by 2026 aligning with the growing demand for energy transition materials. During the reporting year, the modernization of the high-tech anodizing line with an annual Anodizing Capacity of 6000 tons was successfully completed. This investment is part of the company's long-term strategy to expand production capacity and improve quality, to meet the growing demand for anodized aluminium profiles on the Bulgarian and international markets. Anodizing is an advanced electrochemical process in which a protective oxide layer is formed on the surface of aluminium. It significantly increases the durability of the material, improves its corrosion resistance and gives it an aesthetically finished look.



## Investing in the future

Alcomet has been awarded a Priority Investment Project certificate by Bulgaria's Ministry of Innovation and Growth for a 69.7 million EUR investment aimed at expanding production capabilities and supporting sustainability goals. The project includes installing a continuous casting line and new equipment for aluminium profiles, foil rolling mill and slitter, with a focus on innovative alloys for EV batteries, solar panel profiles and the product range for the automotive industry. It will enhance product diversity, improve quality, increase production efficiency and create 160 new jobs over the next three years.

- Expansion of product range by introducing new sizes and increasing the capacity of existing products.
- Widen Rolling Shop 2 with an additional 5,000 m<sup>2</sup>.
- Construction of a new Casting Shop to increase casting capacity and enable the production of new alloys for converter and battery foils.
- Product parameters will be diversified.
- Main product lines will be preserved while increasing the number of items within each line.
- New machinery will enhance efficiency, enabling higher output per unit and increased processing capacity.
- Additional items will be offered as options for customers.

## Enhanced Integration of Software

In our ongoing efforts to improve operational efficiency, we have made significant strides in the integration of various software systems. The primary focus of our system integration activities has been the development and expansion of the Manufacturing Execution System (MES) for Casting, Extrusion, and Mechanical processing. This initiative has successfully consolidated multiple manufacturing and quality systems into a unified framework. By 2024, we have achieved the scheduled integration and launched new MES functionalities, which have enabled comprehensive reporting on production centers. Key metrics such as productivity, scrap rates, and defect rates are readily accessible, facilitating informed decision-making.

Additionally, our Casting shop assistant software has undergone substantial improvements, enhancing its precision in melting planning and accounting of metal quantities. We have also established robust traceability, allowing us to track the origin of metals from the final product back to the melt charging process.



# SUSTAINABLE SUPPLIER



## Material Topic: Sustainable supplier (Company specific-topic)



### Key policies & guiding principles

- Sustainability policy
- Business code of Conduct
- High-degree of flexibility and trust-based relationships



### Achievements

- 100% of our customers receive comprehensive sustainability-related information.
- Hold regular feedback meetings to address customer needs and satisfaction surveys.
- Implement and utilize a centralized quality tracking system.
- Expand the information provided to meet the unique demands of the market, regulatory standards, and customer expectations.
- 177 issued declarations.



### Path Forward

- Retain over 60% of Alcomet's top 40 clients (by revenue) for more than 10 years.
- Achieve over 85% repeat orders from existing clients.

## Dynamic and responsible supplier

Building strong, long-term client relationships begins with understanding their goals and delivering tailored, compliant solutions that evolve with their needs - especially in sustainability. By aligning with client reporting frameworks and regulations and maintaining timely, transparent communication, we strengthen trust and support our shared commitment to sustainable supply chains.

We prioritize nurturing long-lasting partnerships, often exceeding a decade, and position ourselves as a trusted supplier, enabling us to introduce new products to existing and potential clients.

## Our guiding principles

As part of our commitment to client satisfaction and continuous improvement, we take pride in our ability to manage time-sensitive orders and adapt swiftly to changing specifications. This agility allows us to efficiently meet evolving clients' needs, strengthening trust and aligning with our sustainable business practices. In addition to delivering high-quality products, we offer the information and expertise our clients need to address their own sustainability challenges.

We operate with honesty, integrity, transparency and adaptability, while ensuring compliance with both contractual obligations and voluntary initiatives, as outlined in our [Business Code of Conduct](#) and [Sustainability Policy](#).

## Support clients' sustainable practices

Alcomet provide clients with the information and specific data needed to address their sustainability challenges. Our clients trust our products to meet their specific requirements, including product specifications, green claims, safety-related requests.

In 2024, we responded to 177 client requests by issuing formal declarations on product and material information. As sustainability regulations continue to evolve and differ across markets, clients are increasingly requesting detailed information on product composition and sourcing. There is a growing focus recently on the presence of specific chemical substances regulated under frameworks such as REACH, RoHS, TSCA as well as on responsible sourcing from conflict-affected regions, the use of recycled plastics in packaging and compliance with various industry standards. Topics include, among others, LEED declarations, food contact conformity, reaction to fire performance, SDS and SCIP statements, dual-use and precursor documentation, confirmation of the absence of biocidal substances.

We continue to adapt our operations and formulations to meet these evolving requirements, providing comprehensive compliance documentation and ensuring our sourcing practices align with recognized industry standards.

### Actions driven by adaptability to meet client needs

We ensure clients can easily reach us for timely support and offer tailored products to meet specific quality management needs. Regular feedback reviews help us adapt to changing requirements while maintaining high service standards. Our centralized quality tracking system, supports documentation and analysis, enabling timely identification and resolution of product issues while addressing client compliance expectations. This platform streamlines monitoring by allowing attachments like videos and test results, enhancing our efficiency in issue resolution and providing valuable insights into our quality assurance efforts.

We aim to ensure that at least 60% of our top 40 clients maintain long-term relationships, underscoring our commitment to client loyalty and satisfaction, which in turn supports the resilience and longevity of our business. Another key metrics of our client retention strategy is the proportion of repeat orders from

existing clients. Our target of over 85% repeat orders highlight our dedication to building lasting relationships and maintaining high levels of client satisfaction. By consistently delivering value and exceptional service, we strengthen client loyalty and contribute to the long-term stability of our business operations.

### Proactive Employee Awareness of Customer-Related Quality Issues

In 2024, we launched a series of initiatives aimed at enhancing employee awareness of customer-related quality issues. The Quality and Project Costs departments developed and updated numerous visual instructions and One Point Lessons (OPL) to visualize potential and actual quality issues, ensuring that all relevant staff is informed.

Additionally, we streamlined the schedule for quality meetings, reducing their frequency and including managers from production, quality, maintenance, and R&D across both the casting-extrusion and casting-rolling sectors.



	2021	2022	2023	2024
Percentage of Alcomet's top 40 clients in terms of revenue who have been clients for more than 10 years	65%	70%	68%	66%
Repeat orders: presence of subsequent orders from existing clients	85%	86%	86%	88%

# RESILIENT AND DIVERSE SUPPLY CHAIN



Nataliya Ivanova,  
Supply Chain Director

*Sustainability subject is a major focus and plays an increasing role in our daily business and strategic thinking. We realize the key importance of the purchasing policies and practices in the overall company sustainability profile and performance. We strive to ensure a reputable and resilient supply chain, ready to face the challenges of the contemporary geopolitical, social and economic world. Within our scope of activity we aim to contribute to the improvement of Alcomet's environmental performance by increased sourcing of aluminium scrap and secondary ingot for our production and deliberate choice of supply partners from close proximity in order to reduce transportation emissions. As a certified member of ASI, we consider that this certification is a strong proof and guarantee for the companies' ESG performance and long-term efforts. The majority of our raw material and semi-finished products suppliers are ASI certified which gives us the confidence and comfort to have chosen to work with objectively proven supply partners.*



## Material Topic: Supply chain management

G1 Business conduct/S2 Workers in the value chain



## Key policies & guiding principles

- PIS 8.4. Purchasing of goods and services
- Suppliers' Code of Conduct
- Master services agreement for provision of services on the territory of Alcomet



## Achievements

- Development and implementation of Sustainability Self-assessment of suppliers.
- Work closely with our suppliers to ensure alignment with our business ethics and sustainability principles.
- 55% of our primary raw materials and semi-finished products are ASI certified.
- Increase of aluminium scrap delivered quantity by 27% from 2023 to 2024, achieved through active communication with suppliers, continuous market research, attendance at exhibitions, on-site visits of scrap suppliers.



## Path Forward

- Keeping active the target of achieving 100% of our Group 1 suppliers of primary aluminium and semi-finished aluminium products to be assessed using our Sustainability Self-assessment questionnaire.
- Encouraging the improvement of our suppliers by achieving better sustainability parameters.
- Diversification and broadening of our sources of good-quality scrap, including by creating closed-loop supply chain by attracting our customers into active recycling of their aluminium waste, aiming to increase our recycling rate and retaining the aluminium scrap in our industry.

## Our guiding principles

Alcomet expects from its partners to adhere to its Suppliers' Code of Conduct, which embodies our commitment to ethical, safe and responsible business practices. This Code is based on international laws and regulations, including industry norms and best practices, such as United Nations Global Compact, International Labor Standards (ILO) and International Bill of Human Rights. It is designed to complement, rather than replace, local laws and regulations in the jurisdictions where our suppliers operate.

Alcomet encourages compliance with relevant laws to ensure safe working conditions, respectful and dignified treatment of all workers and operations that are both environmentally sustainable and ethically managed within the supplier's operations and supply chain.



**Legal Compliance:** Suppliers must adhere to all applicable national and international laws, including those related to labor standards, environmental protection, anti-corruption and fair competition.



**Human Rights and Labor Standards:** Suppliers are expected to uphold human rights by rejecting child and forced labor, ensuring non-discriminatory practices and recognizing freedom of association and collective bargaining.



**Environmental Responsibility:** Suppliers should adopt a precautionary approach to environmental challenges, promote environmental responsibility and encourage the development of environmentally friendly technologies.



**Anti-Corruption:** Suppliers must actively work against corruption in all its forms, including extortion and bribery.

The Suppliers' Code of conduct serves as the inherent background for the establishment of any of our contractual relationships and long-term partnerships. In addition to ensuring compliance by their own workforce, we expect suppliers to inform their subcontractors and suppliers of these key principles and consider them when selecting their own suppliers. Moreover, suppliers are encouraged to motivate their subcontractors and sub-suppliers to uphold the minimum standards outlined in this code, particularly regarding human rights protection, working conditions, anti-corruption practices and environmental protection, while fulfilling their contractual obligations.

Our operations rely predominantly on aluminium ingot as the main raw material, complemented by a minor proportion of alloying additions, none of which appear on the European Union's 2023 Critical Raw Materials List. Despite this, we are fully committed to safeguarding the resilience and reliability of our raw material supply. To address potential challenges, we actively work to minimize risks across our supply chain.

## Suppliers' assessment

Every delivery of raw materials and components to Alcomet undergoes incoming control, which includes documentation review, visual inspections, measurements, and laboratory tests. This process allows the company to monitor the quality of each delivery as well as the material flows provided by each supplier.

Suppliers are classified into two categories based on the criticality of the products and services they deliver to Alcomet's operations. Group 1 suppliers provide critical products essential for maintaining production quality and continuity, while Group 2 suppliers offer materials that are not crucial for production. All new suppliers undergo an initial evaluation, and active suppliers are re-evaluated annually against predefined criteria.

### Group 1 suppliers' selection and assessment

- 1 Research
- 2 Risk analysis
- 3 Self-assessment protocol
- 4 Trial delivery
- 5 Quality assessment protocol
- 6 Initial assessment and approval
- 7 Final annual assessment based on three main criteria - risk analysis, self-assessment protocol, delivery performance, claim rate.

Four claims of supplies of critical materials have been registered during the period. Immediate actions were taken to inform the supplier and reject the deliveries, also deliver replacement materials from other sources, without any disturbance of the production rate, quality and timely delivery to our customers.

As part of the environmental assessment, we ensure that these suppliers comply with national environmental regulations, promote renewable energy usage, control CO2 emissions and maintain ISO 14001 certification. In 2024, 100% of Group 1 suppliers underwent evaluation based on environmental and social criteria, with no non-compliances or incidents reported.

### Group 2 suppliers' selection and assessment

- 1 Research
- 2 Trial delivery
- 3 Initial assessment and approval
- 4 Final assessment based on following criteria - quality, delivery time, delivery terms, payment terms and price, documental compliance, urgent deliveries capacity.

In 2024, there were 13 claims recorded against Group 2 suppliers in the internal portal; however, there were no interruptions in deliveries, and no significant impact on the production schedule was caused by supply-related issues. All claims were solved by mutual agreement with suppliers and were finalized in a satisfactory manner.

## Resilience in the supply chain

For us it is essential to maintain a steady flow of raw materials, keep production on schedule and deliver orders to customers without delay. We proactively explore alternative suppliers, ideally European and commercially sustainable, to diversify our supply base. We also assess the resilience of our suppliers in managing potential disruptions within their regions or along critical supply routes. In 2024, we partnered with 6 new suppliers of Group 1 and 78 new suppliers of Group 2, thus enhancing our supply chain's risk mitigation, flexibility, competitiveness and resilience. All the new suppliers from Group 1 were assessed using environmental and social criteria.

When nominating a new supplier of primary aluminium and semi-finished products it is very highly appreciated if the supplier is certified by ASI. This gives us the assurance that we are working with responsible and reliable suppliers. 55% of our primary raw materials and semi-finished products are ASI certified.

While the response rate to our new Sustainability self-assessment questionnaire remains below 50%, we collect and analyze on trimester basis the CBAM information of our raw material and semi-finished products suppliers. We receive quick response and notice increasing focus and motivation from the side of our suppliers to improve their CO2 emissions results. We aim to improve our communication with our suppliers on this strategic topic and continue monitoring their respective performance. As part of our research of our supply chain we are committed to actively adapt our Sustainability questionnaire, collect detailed feedback about the difficulties to fill it in and encourage suppliers to increase their response rate in 2025.

In line with Alcomet's significant role in the national and regional economy, we prioritize sourcing from local suppliers. The share of our procurement budget allocated to local suppliers (primarily for aluminium scrap, secondary aluminium ingots, spare parts, con-

sumables and production equipment) rose significantly from 47% in the previous year to 65% in 2024. Sourcing locally not only reduces our carbon footprint by minimizing transportation distances but also supports the financial stability and growth of local businesses and the Shumen region. By strengthening relationships with local partners, we enhance supply chain transparency, promote economic development and contribute to a more sustainable and resilient business ecosystem. Being a big company, industrial producer and a major consumer of goods and services, makes Alcomet a preferred customer for its local and international suppliers. Due to its strong market position and long-term financial stability Alcomet is inevitably serving as an image maker in our suppliers' reference list, acting as an essential backbone of their businesses and a driver of their continuous economic, technological and social improvement.

Payments to suppliers are regulated through individual contracts, with timely payments typically made within the specified contractual period. On average, we process 12 000 payments each year and 80% of these payments adhere to the standard payment conditions. Additionally, we have maintained no legal disputes.



# CARE FOR THE ENVIROMENT



Our commitment to environmental stewardship is reflected in our Integrated Management System (IMS), certified under ISO 14001 for Environmental Management. This certification, along with a Complex Permit from national authorities, highlights our dedication to responsible resource management, pollution prevention, and legal compliance.

Our [Environmental Policy](#) guides our employees and partners in our vision for environmental impact management and minimizing our footprint. Since 2008, we have developed and continuously improved our IMS through regular internal and external audits conducted by certified Alcomet employees and our partner SGS. These audits verify our compliance with ISO standards and the effectiveness of our Environmental Policy. During the reporting period, the Regional Environmental Inspectorate in Shumen conducted an inspection to assess compliance with the conditions outlined in the issued Complex Permit. SGS performed a control audit to evaluate adherence to the EN ISO 14001:2015 standard. No non-conformities were identified. During the reporting period, 28 compliance assessments were performed, and no non-compliances related to environmental management activities were registered.

The material topics defined in the comprehensive DMA process and reported in detail are Circular Economy and Climate & Decarbonization.

While topics such as air quality, water resources, and biodiversity are not defined as material topics according to our conducted DMA process, we have decided to share information, mainly about our impact on air and water, performance and key indicators which are part of the Controlled Authorities' annual report. This reflects our commitment to meeting stakeholder expectations and our transparency.

# CLIMATE AND DECARBONIZATION



## Key policies & guiding principles

- ISO Standards (ISO 14001)
- GHG (Greenhouse Gas Protocol) emissions protocol
- Action Plan for European Aluminium: Strategic Metal, Strategic Action



## Achievements

- Calculation of Scope 3 GHG emissions.
- Reduction of energy consumption per ton of aluminium produced.



## Path Forward

- Reduce carbon emissions from primary aluminium by purchasing from suppliers with low carbon emissions.
- Reduce carbon emissions from aluminium procurement by increasing the use of secondary aluminium.
- Reduce emissions from aluminium production by increasing the share of renewable electricity to 5% of the company's total electricity consumption.
- Continue measuring and reporting Scope 3 GHG emissions to identify and address key emission sources.

As a leading manufacturer of aluminium products, we fully acknowledge the critical importance of addressing climate change and are committed to actively reducing our carbon footprint. Although the aluminium industry is widely recognized for its high energy consumption – especially during production of primary aluminium—Alcomet operates further along the value chain, where energy usage is significantly lower compared to the upstream stages. Nonetheless, we recognize our environmental responsibility and remain committed to sustainability by adopting energy-efficient technologies and practices to reduce our impact.

The effects of climate change, including rising energy costs, pose significant challenges to our production efficiency. In response, we are taking proactive measures to transition towards renewable energy sources, such as solar power, and implementing advanced energy management systems. These initiatives aim to decrease our reliance on conventional energy sources and enhance our operational sustainability. Furthermore, we are investing in innovative technologies and processes designed to optimize energy consumption, ensuring that we not only meet our production goals but also contribute positively to the environment.

## Our Guiding Principles

Our efforts are influenced by our participation in the European Emission Trading Scheme, adherence to Corporate Sustainability Reporting Directive (CSRD) standards, and attainment of Aluminium Stewardship Initiative (ASI) certification. These frameworks guide our actions and help us align with global sustainability goals. As a member of European Aluminium, we actively contribute to the development of strategic documents for the sector, as well as their implementation.

In our pursuit of sustainability, we prioritize investment decisions that focus on energy-efficient technologies and renewable energy production onsite. Currently we have installed 2.15 MWP solar panel at our facilities. Additionally, we are actively exploring the potential of green hydrogen as a viable solution for decarbonization, seeking innovative ways to integrate this clean energy source into our processes.

Our commitment also includes exploring options like purchasing green electricity through power purchase agreements (PPAs), in line with our goal of sourcing energy from renewable sources. Furthermore, we are researching opportunities in Carbon Capture and Utilization (CCS/CCU) technologies, aiming to not only reduce emissions but also to find ways to repurpose captured carbon for beneficial uses.

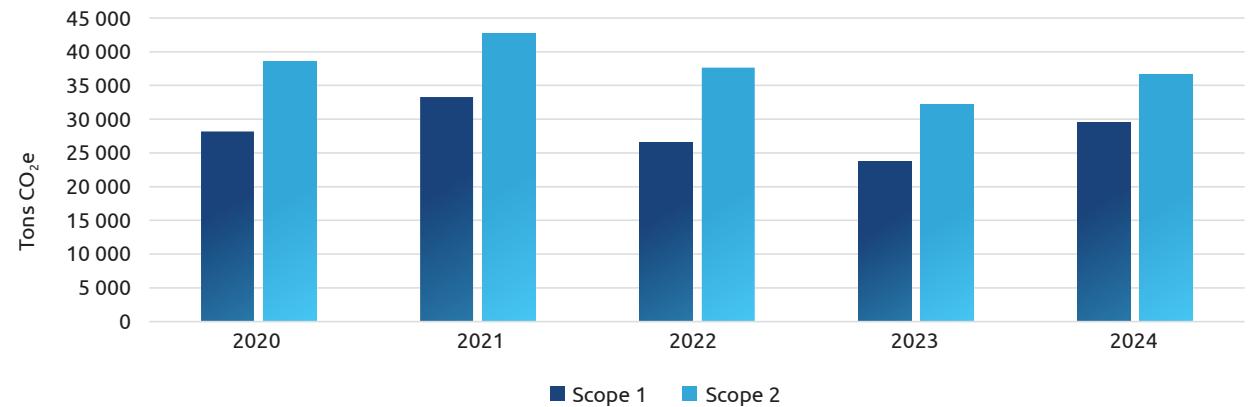
## Greenhouse gas emissions

We are committed to reducing our environmental footprint by managing and minimizing corporate greenhouse gas (GHG) emissions. A key step in this commitment is the establishment of a comprehensive GHG inventory, which forms the foundation for our emissions reduction path. Since 2021, we have been monitoring our Scope 1 and 2 emissions, and as of 2024, we have expanded our efforts to include Scope 3 emissions. Accounting for our Scope 3 emissions, will enable us to gain a more complete picture of our overall carbon footprint and will help us identify key areas for improvement and reduction strategies.

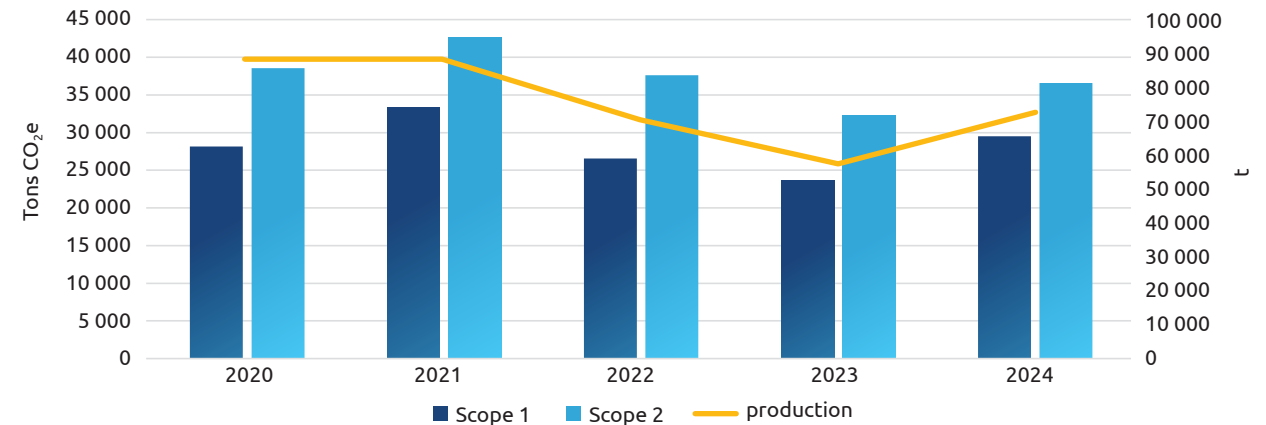
As a member of the European Aluminium Association (EAA), we annually report our greenhouse gas (GHG) emissions, detailing both direct and indirect sources. We have sets of reduction targets aligned with EAA guidelines and European climate goals, while implementing sustainability initiatives to enhance energy efficiency and promote renewable energy. Recognizing the need for technological advancements and increased investments, we have aligned with industry-wide emission reduction plans to support global targets.

In 2024, our total greenhouse gas (GHG) emissions were reported at 856 931.29 tCO<sub>2</sub>e, calculated using the market-based method. Scope 1 emissions amounted to 29 535.22 tCO<sub>2</sub>e, while Scope 2 emissions totaled 36 586.48 tCO<sub>2</sub>e. The market-based method, used specifically for reporting Scope 2 emissions, was selected to reflect our ongoing commitment to reducing environmental impact.

Scope 1 and 2 GHG emissions



Scope 1 and 2 GHG emissions



During the reporting year, we generated 2235.704 MWh of renewable electricity, accounting for 3% of the company's total electricity consumption. While we have not yet met our 2025 target of increasing renewable electricity to 5% of total consumption, we are actively negotiating with electricity providers to secure renewable energy contracts and advance toward this goal.

Alcomet has assessed its Scope 3 GHG emissions across various indirect sources throughout its value chain. The categories included in the GHG inventory are:

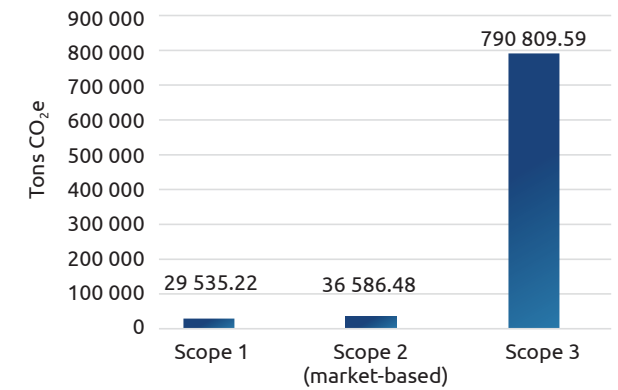
- 3.1 Purchased Goods and Services
- 3.2 Capital Goods
- 3.3 Fuel- and Energy-Related Activities
- 3.4 Upstream Transportation and Distribution
- 3.5 Waste Generated in Operations
- 3.6 Business Travel
- 3.7 Employee Commute
- 3.10 Processing of Sold Products
- 3.12 End-of-Life Treatment of Sold Products
- 3.13 Downstream Leased Assets

Certain Scope 3 categories are excluded from Alcomet's GHG inventory as they are not relevant to our operations.

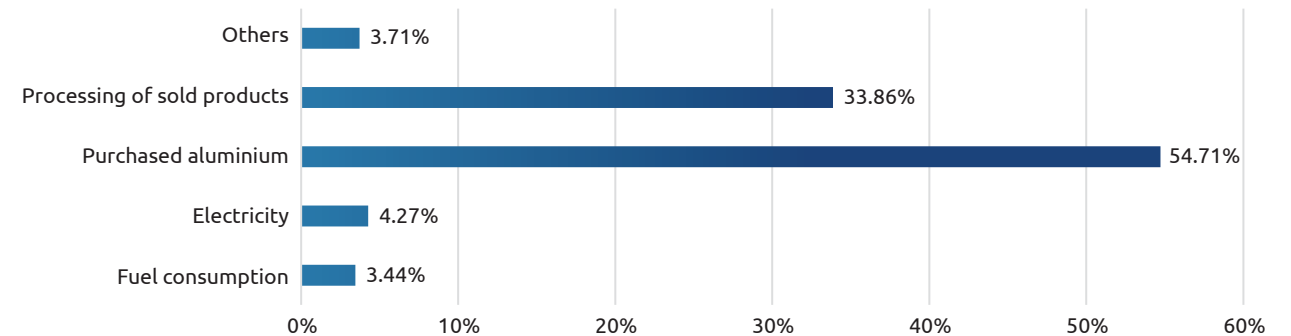
Scope 3 emissions amount to 790 809.59 tCO<sub>2</sub>e. The largest contributor to our carbon footprint is aluminium procurement (468 868.73 tCO<sub>2</sub>e), accounting for 59% form Scope 3 emissions and 55% of the total emissions. Of this, primary aluminium makes up approximately 89% of the aluminium purchased. The production of primary aluminium has a substantial carbon footprint, whereas secondary aluminium, which makes up only 11% of our aluminium purchases, has a much lower environmental impact. Additionally, the second largest source of emissions comes from the processing of sold products, as we specialize in intermediate products that require further processing.

Our effort to calculate Scope 3 GHG emissions marks a significant step towards enhancing sustainability practices. These emissions cover all indirect emission sources within a company's value chain, such as those from suppliers, product use, and waste disposal. By focusing on these emissions, we can foster closer collaboration with suppliers to optimize the supply chain. This focus not only enhances sustainability but also builds stronger stakeholder relationships and drives long-term business value, positioning us as a leader in environmental responsibility.

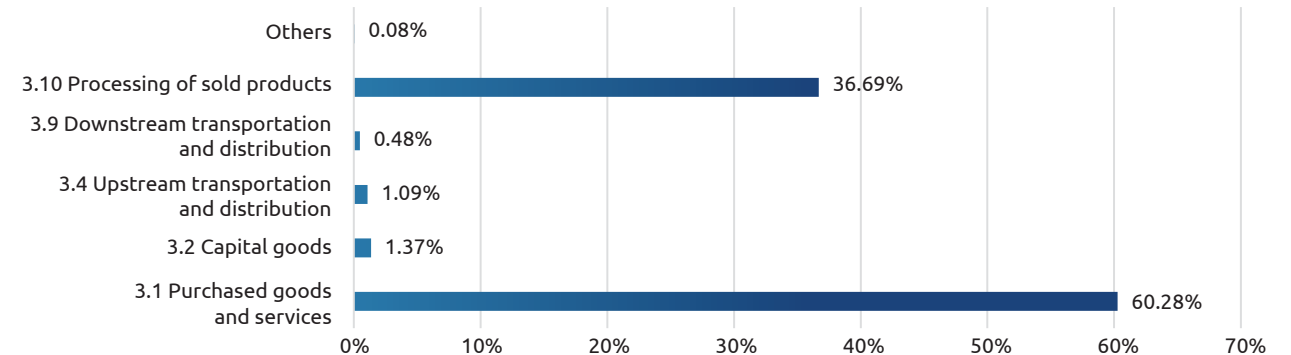
### GHG emissions for 2024



### Major emission sources for 2024



### Scope 3 GHG emissions for 2024



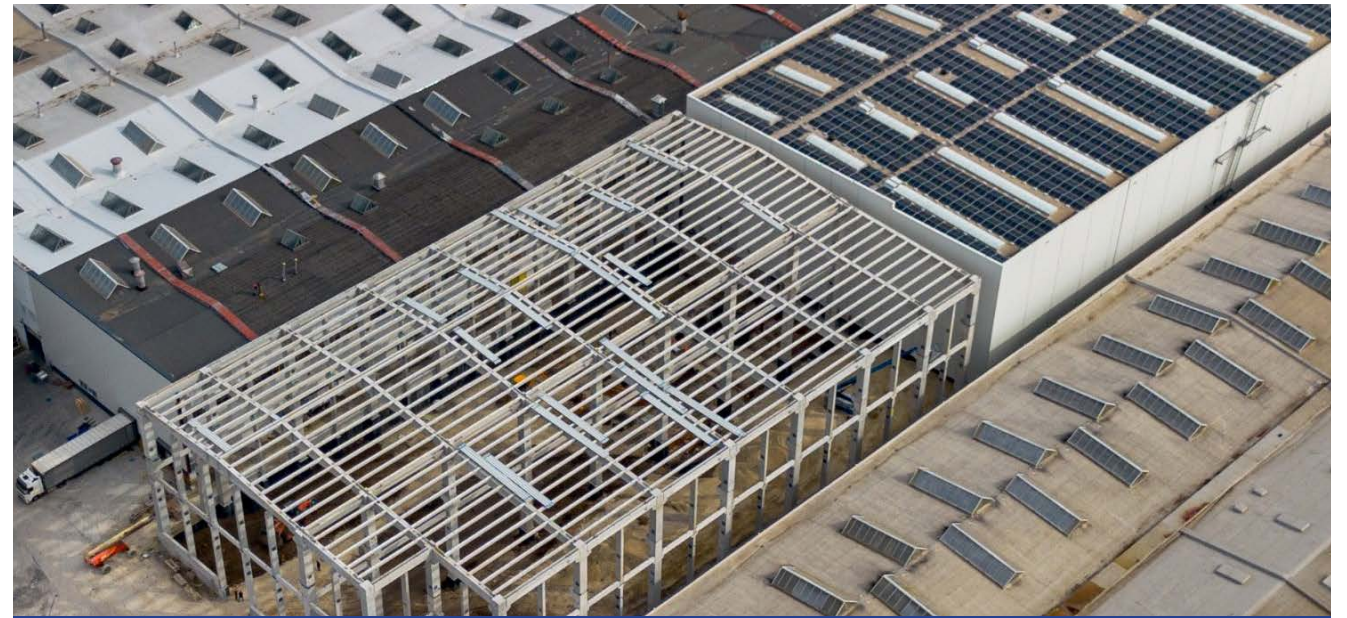
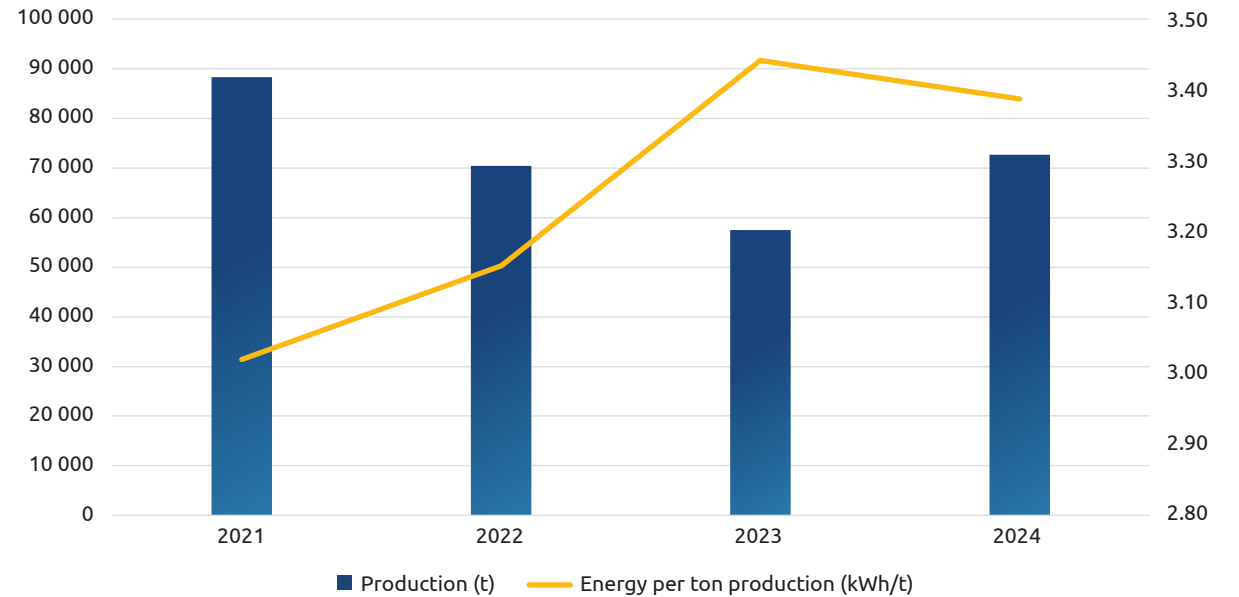
## Energy saving and energy efficiency

In Alcomet, we rely mainly on electricity and natural gas. With the implemented Schneider Electric monitoring system PME (Power Monitoring Expert) we continue to track in real time and analyze data on natural gas and electricity consumption levels.

On a positive note, we remain on track to meet our energy efficiency target of maintaining energy consumption below 3.5 MWh per ton of aluminium produced. In 2024, our energy consumption per ton was 3.39 MWh/t, representing a 1.6% reduction compared to the previous year, reflecting our ongoing commitment to operational efficiency and sustainability. In addition, our physical intensity also showed a slight decrease of 7% year-over-year, now amounting to 0.91. This improvement highlights the success of our ongoing efforts to make production processes more efficient, even though total Scope 1 and 2 emissions have increased overall.

In 2024, we conducted our quadrennial energy efficiency audit in accordance with the Energy Efficiency Act. In line with our goals for continuous improvement and the implementation of measures, several new initiatives were identified. The most significant of these is the replacement of one of the boilers used for steam generation with a more energy-efficient model.

Energy consumption per ton



# CIRCULAR ECONOMY AND WASTE MANAGEMENT



## Key policies & guiding principles

- EU Circular Economy Strategy and Action Plan
- EU Steel and Metals Action Plan
- Strategic Metal, Strategic Action: An Action Plan for European Aluminium
- Environmental policy



## Achievements

- 45% of the input materials that are used for production are recycled (purchased scrap, internal scrap, secondary aluminium, flux and alloy. elem.).
- 100% recyclable packaging.



## Path Forward

- Update of our Life Cycle Assessment (LCA) by 2025.
- Increase the amount of aluminium scrap purchased and used.
- Increase the recycled content in products without compromising product quality.

In today's landscape, the significance of environmental considerations, particularly the utilization of resources and the adoption of circular practices, is on the rise. This shift necessitates a thorough analysis by company management and a flexible approach to decision-making. At Alcomet, our initiatives are centered around two primary objectives:

- Enhancing the use of secondary resources.
- Minimizing waste production.

This comprehensive strategy begins at the procurement stage, where we prioritize the increased utilization of secondary aluminium, and extends to the management of residual materials, with a focus on reducing landfill contributions.

The growing demand for secondary aluminium and recycled content cannot be overlooked, especially as the market for aluminium scrap currently falls short of meeting the increasing requirements driven by customer expectations for recycled content in newly

manufactured aluminium products. In response, we are actively seeking innovative circular practices to further minimize waste and optimize resource efficiency throughout our operations.

Alcomet is committed to the continuous improvement of raw material utilization through technological advancements, process redesign, and the promotion of circularity and waste reduction. The modernization of our technological infrastructure, including automation and digitalization, allows for precise control of operational parameters and automated material dosing, resulting in decreased waste generation. Furthermore, we internally process the aluminium scrap produced during our primary manufacturing processes, thereby reducing our reliance on primary raw materials.

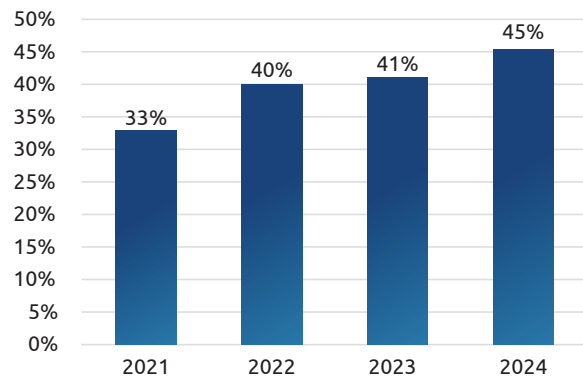
## Increased use of recycled aluminium

Our strategy emphasizes optimizing raw material usage and conserving resources. We foster strong relationships with suppliers to ensure a steady supply of materials while exploring alternative procurement options to reduce supply risks. We adhere to annual procurement plans and monitor raw material consumption to meet established standards.

In 2024, Alcomet’s average recycled aluminium content increased to 45%. Most of the recycled input material is in fact internal scrap that we reuse in our production. To address the rising demand for sustainable products, we are committed to enhancing the recycled content in our offerings. We often introduce new alloys tailored to customer needs, increasing recycled content as much as technology allows without compromising product quality.

### Share of recycled input materials used (tons)

(purchased & internal scrap, secondary aluminium, flux and alloy elem.)



Our R&D team is dedicated to improving product life cycle performance through innovative design and the recycling of both pre- and post-consumer aluminium scrap, which significantly lowers emissions compared

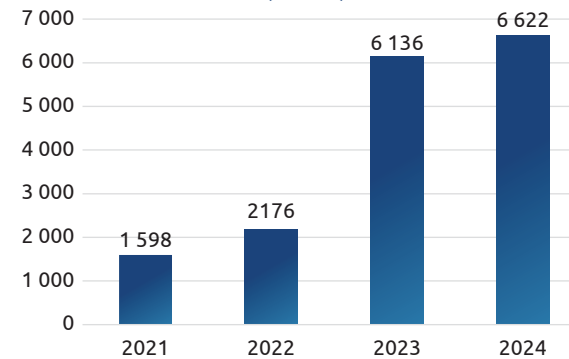
to primary metal production. Our initiatives are driven by informed decision-making supported by scientific methods. To further advance sustainable aluminium products, we aim to update our Product Life Cycle Assessment by 2025. Although green aluminium is still developing and not yet cost-competitive, it holds significant potential for future growth, and Alcomet is actively monitoring relevant technological and market trends.

We are aware that all customers will be seeking increasingly higher recycled content, both in products and packaging. In practice, however, there is not as much supply of secondary material. One of the main reasons for this is that aluminium products typically have a long lifespan (e.g., windows). Thus, the supply of secondary aluminium is growing at a much slower pace than the demand.

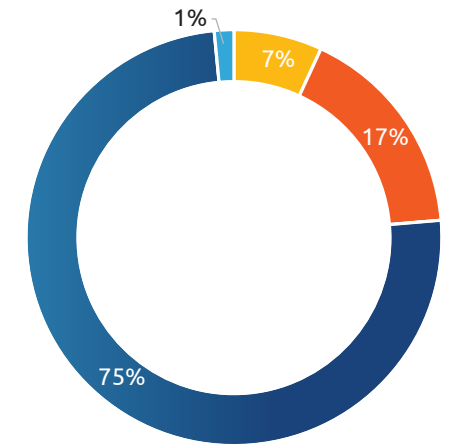
## Consumption of materials

In 2024, we purchased 47 517 tons of primary aluminium and **2 713 tons of secondary aluminium**. One of our key priorities is to increase the share of externally sourced aluminium scrap in our production. Despite limited availability on the market, we succeeded in identifying new suppliers and increased our procurement of aluminium scrap to 6 622 tonnes – **an 8% rise compared to 2023**.

### Amount of purchased aluminium scrap (tons)



### Amount of recycled input materials



- secondary aluminium
- aluminium scrap: purchased
- aluminium scrap: internal
- flux and alloy elem.

## Waste management

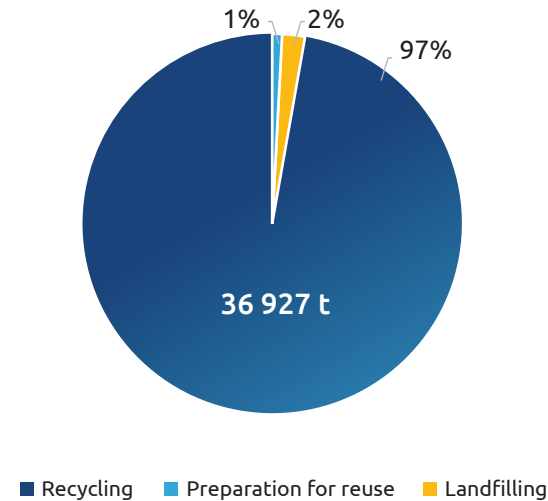
We carefully record and monitor our waste management processes. We employ vehicle scales to measure the relevant waste, producing detailed weighing notes that are uploaded to our ERP system for thorough reporting.

Alcomet adheres to Bulgarian regulations by reporting the volume of waste generated and the waste treatment companies we collaborate with monthly in the National Waste Information System database, as well as in our official annual environmental report. These reports can be accessed publicly through the national Environmental Executive Agency’s website.

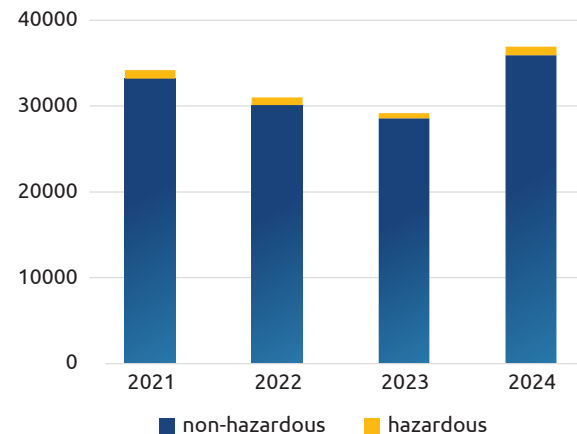
Although production quantities are on the rise, Alcomet is committed to minimizing landfill waste disposal. We are actively exploring suitable measures and technologies to further our objective and continue our initiatives in preventing and reducing waste generation, along with promoting the reuse and recycling of waste. For instance, Alcomet is a committed member of a collective scheme for packaging waste management.

In 2024, we generated a total of 36 927 tons of waste, of which 97% was recycled, 2% landfilled, and 1% prepared for reuse. Waste sent to landfill primarily included filter cake from anodizing, sludge from roll machining, and sediments from oil separator pits. Most of the recycled waste consisted of filter materials, which were delivered for energy recovery through heat generation. Less than 3% of the total waste was classified as hazardous, such as hydraulic and engine oils, which were handed over to specialized firms for treatment and reuse in new products like greases. As part of our commitment to circular economy practices in collaboration with downstream partners, a portion of aluminium scrap – characterized by specific technical properties and not classified as waste – is sent to companies in Sweden and Slovakia, where it is reused in the production of paints.

### Waste by type of disposal



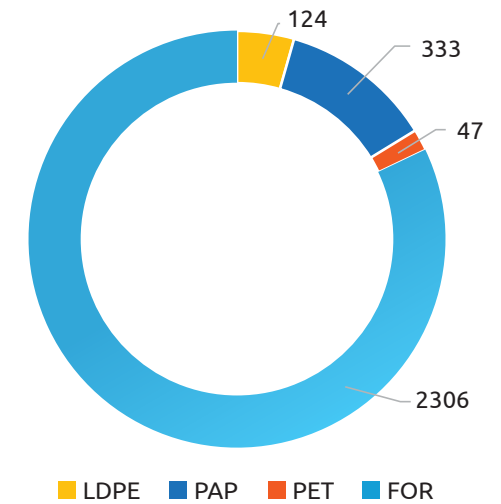
### Total weight of waste generated (tons)



## Packaging

Our products and packaging are both 100% recyclable. We ensure that our packaging waste is handed over to a specialized disposal organization for proper treatment. Steel reels account for 550 tones, while wooden pallets form a core part of our packaging materials. In addition to pallets, we also use wooden blocks and slats, which are cut and assembled into frames for the packaging of aluminium profiles.

### Used material for packaging in tones



To facilitate our customers and enable them to declare data according to the new legislative requirements in Spain and Portugal, starting in 2024, we began tracking and disclosing the average percentage of recycled content in the packaging of all our products. We believe that this convenience that we provide to our customers makes us not only a sustainable supplier, but also a reliable business partner.

For now, there is no need to change the content of our packaging, as it is already 100% recyclable and largely made from recycled materials.

# AIR QUALITY



## Key policies & guiding principles

- REACH Regulations
- Clean Air Act
- Ordinance № 1 of 27.06.2000
- Directive 2015/2193
- Directive 2010/75/EU
- ISO 14001
- Complex Environmental Permit № 341-H1/2012



## Achievements

- Full compliance with environmental regulations, with no sanctions imposed under Article 69 of the Environmental Protection Act.
- Implemented improvements to the ventilation and air treatment systems in the painting and casting shop sections.
- Limiting the amount of dust (PM), total organic carbon (TOC) and NOx emissions per ton of production produced.



## Path Forward

- Installation of a filtration system for oil aerosols from the new foil rolling mill (120,000 m<sup>3</sup>/h capacity).
- Deployment of aspiration systems in the casting shop and mechanical profile workshops.
- Introduction of energy-efficient annealing furnaces with recuperative gas burners to reduce NOx.
- Construction of a cooling chamber with high-capacity ventilation for clean air discharge.

We know that aluminium production involves inherent environmental risks, particularly related to emissions into air and water, as well as the possibility of accidental spills or leaks. Additionally, pollution can occur throughout the raw material supply chain. If not properly managed, these impacts can negatively affect both the local environment and surrounding communities.

Alcomet takes active steps to control air pollution by combining modern technology with strict legal compliance. The company operates under Complex Permit № 341 - H1/2012, which sets specific emission limits and requires regular monitoring according to Bulgarian (Clean Air Act, Ordinance № 1 of 27.06.2000 and other) and EU rules (REACH Regulations, Directive 2015/2193, Directive 2010/75/EU).

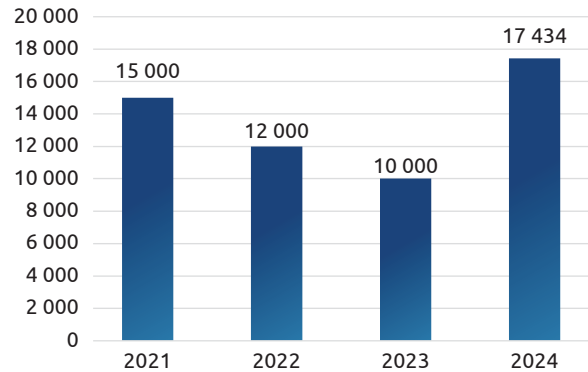
During the reporting year, we conducted detailed monitoring and reporting of atmospheric emissions, covering pollutants such as dust, nitrogen oxides (NOx), organic compounds, dioxins/furans, as well as gaseous inorganic chlorine compounds (reported as hydrogen chloride – HCl) and gaseous inorganic fluorine compounds (reported as hydrogen fluoride – HF). These measurements were carried out using accredited laboratories and standardized methods, including gravimetric analysis, FTIR spectroscopy, and gas chromatography. The results were compiled under the company's Integrated Management System (IMS), certified to ISO 14001 and aligned with the Aluminium Stewardship Initiative (ASI) Performance Standard, in compliance with the requirements of the European Pollutant Release and Transfer Register (E-PRTR).

In 2024, we achieved the set goal of limiting the amount of dust (PM), total organic carbon (TOC) and NOx emissions per ton of production produced.

TARGET	DATA 2024
PM 0.200 kg/t	0.145 PM
TOC 1.200 kg/t	1.17 TOC
Nox 0.300 kg/t	0,240 Nox

The company reported an increase in NOx emissions, reaching 17 434 kg, up from lower estimated levels in previous years. This rise is closely linked to the substantial growth in production volumes and the extended operating hours of key equipment. The calculation of this indicator is based on a formula that multiplies the emission concentration (kg) by the airflow rate and the number of operating hours, which reflects the intensified utilization of production capacity during the year.

### NOx Emissions (kg)



While the increase reflects operational expansion rather than non-compliance, Alcomet continues to implement air quality control measures, including advanced aspiration systems, regular emissions monitoring, and investments in cleaner technology to ensure alignment with environmental standards and its long-term sustainability goals. Emissions of harmful substances into the ambient air, such as nitrogen oxides (NOx), sulfur dioxide (SO<sub>2</sub>), and particulate matter, from stationary sources including natural gas-fired boilers and production processes like anodizing, casting shop operations, painting, and annealing are released in a controlled manner and treated using dust collection and adsorption systems. All measured concentrations of these pollutants remained within the regulatory limits, confirming full compliance with air quality standards. To reduce emissions, Alcomet has installed advanced air cleaning systems, including six adsorbers that re-

move acidic and alkaline aerosols from production baths, specifically those released from the modernized anodizing installation, handling a total airflow of 100 000 m<sup>3</sup>/h.

These systems are regularly checked and maintained to ensure they work properly. Through these efforts, our company ensures that air emissions remain within legal limits, thereby contributing to the protection of the environment and public health.

As part of our investment plan, we are planning to implement a series of advanced environmental technologies:

- Installation of a filtration system for oil aerosols

from the new foil rolling mill (120 000 m<sup>3</sup>/h capacity).

- Deployment of aspiration systems in the casting shop and mechanical profile workshops.
- Introduction of energy-efficient annealing furnaces with recuperative gas burners to reduce Nox.
- Construction of a cooling chamber with high-capacity ventilation for clean air discharge.

These measures aim to minimize oil aerosols, volatile compounds, and dust from key production processes while enhancing energy efficiency.



# WATER RESOURCES

	<b>Key policies &amp; guiding principles</b>
	<ul style="list-style-type: none"> <li>• ISO Standards (ISO 14001 &amp; ISO 45001)</li> <li>• Water abstraction permits from the National River Basin Directorate</li> <li>• Water Act</li> </ul>
	<b>Achievements</b>
	<ul style="list-style-type: none"> <li>• New wastewater treatment plant</li> </ul>
	<b>Path Forward</b>
	<ul style="list-style-type: none"> <li>• Installation of 3 Cooling Towers for Recirculated Water</li> <li>• New Equipment Operating Within Current Permitted Water Limits</li> <li>• 11% reduction in wastewater generation compared to 2021</li> </ul>

Alcomet depends on a stable supply of water to support our internal operations. We know that responsible water use is vital for maintaining operational continuity, protecting local ecosystems, and ensuring long-term community resilience.

We follow a comprehensive framework of policies and standards to ensure responsible water management across our operations. The company operates in compliance with:

- Water abstraction permits for two deep wells by the Basin Directorate.
- Bulgarian Water Act and Environmental Protection Act.
- ISO 14001 for environmental management.
- ISO 45001 for health and safety, ensuring rigorous monitoring, risk assessment, and legal compliance.

All water use is carefully documented, permitted by local authorities, and includes clear disclosure of total water withdrawn, discharged, and the role of rainwater in the site’s overall water balance. In addition, the company’s water stewardship approach supports the requirements of ASI Performance Standard, which emphasizes responsible water use, pollution prevention, and the protection of local water resources.

In 2024, we withdrew a total of 279 231 m<sup>3</sup> of groundwater for operational use. The volume of water discharged during the same period was slightly lower, demonstrating the effectiveness of our integrated water management practices. Approximately 11% of the discharged water originated from rainwater accumulated on-site, which we collect and discharge together with treated process water. This distinction highlights the importance of accurately accounting for both natural inputs and operational outflows.



To further reduce our environmental footprint, we have implemented closed-cycle processes that lower our dependence on freshwater and improve overall efficiency. These efforts are fully embedded in our IMS and support our compliance with ISO 14001.

Recognizing the importance of responsible water management, we set a strategic target in 2023 to construct a new operational wastewater treatment facility. This target was achieved with the official commissioning of the plant at the end of 2024. The facility is equipped with automated systems that optimize the treatment process, ensuring compliance with regulatory requirements. While the treated water is discharged and not reused internally, the project marks a significant step in strengthening our long-term commitment to sustainable resource management and environmental protection.

Our company analyzes production, cooling, sanitary, and rainwater discharges monthly for parameters such as pH, BOD<sub>5</sub>, COD, nutrients, oil products, and suspended solids. Specialized testing for heavy metals like mercury is done quarterly if required. Groundwater is monitored every five years to assess long-term impacts. All

sampling is conducted by accredited laboratories, and results are submitted to the Regional Environmental Inspectorate to ensure full compliance with national environmental standards.

Looking ahead, we plan to further enhance our water efficiency by investing in new infrastructure and optimizing internal processes. As part of our ongoing investment plan, we are going to install:

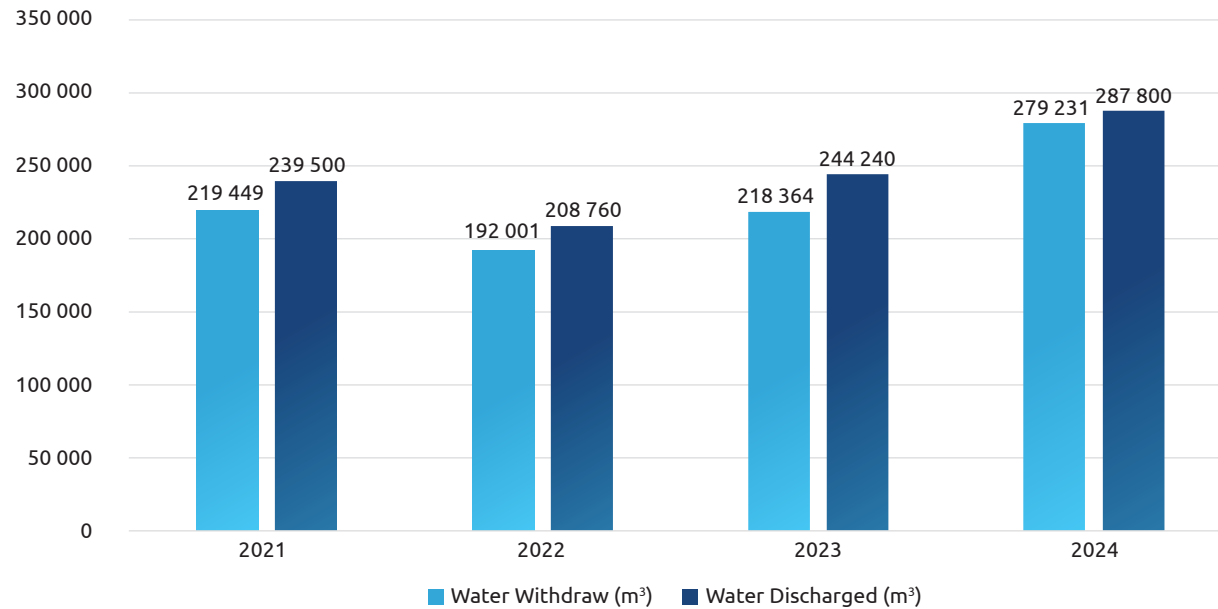
- 3 Cooling Towers for Recirculated Water.
- New Equipment Operating Within Current Permitted Water Limits.

Through continuous investment, responsible practices, and compliance our long-term goal is to embed water stewardship across all levels of operation, ensuring resilience, efficiency, and shared value for our stakeholders and the environment.

# BIODIVERSITY AND ECOSYSTEMS

Located in the industrial zone 3 km east of Shumen and outside the city’s regulated area, our production site operates without any extractive activities and poses no risk to the seven protected areas within the municipality. No protected species are present on or around the site, ensuring a minimal impact on local biodiversity. Annual air emissions monitoring consistently confirms compliance with regulatory standards, while fugitive emissions remain negligible and do not threaten sensitive ecosystems.

**Water management**



# RESPONSIBLE EMPLOYER



# OUR WORKFORCE

Our employees are a crucial component in implementing Alcomet’s strategy and achieving development goals. The knowledge and capabilities of our team members are viewed as our most valuable resources for future advancement. We are dedicated to creating a safe and preferred workplace that champions equitable treatment, respects human values, and implements responsible management practices.



**Hulya Rizova,**  
Human resource and administrative activities director

*Alcomet is more than just an employer; we are an integral part of the lives of our employees, a long-term partner in their development and security.*



The number of personnel in 2024 is higher compared to 2023 with 7.4%. The main reason for this is the opening of new jobs in connection with a priority investment project. At the end of the reporting period, 1 292 employees work under an employment contract in the Company – 967 men and 325 women.



## Material Topics

- Working conditions and human rights
- Employee engagement and development



## Key policies & guiding principles

- Ethical norms in Industry Professional Code
- Transparent and objective recruitment process
- Individual development plans - internal and external trainings, mentoring programs
- Internally fair and market-competitive pay - bonuses, social benefits
- Transparent pay principles
- Zero tolerance for discrimination based on gender, race, age, religion, etc.



## Achievements

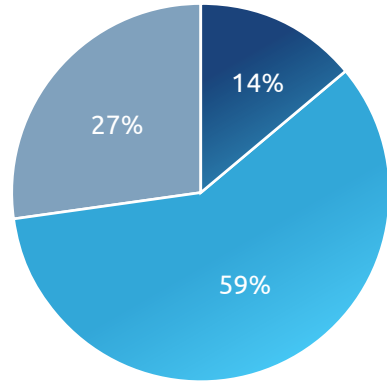
- Promoted fair pay practices through competitive minimum and average salaries that exceed national standards. The average annual salary Alcomet employees is 30% higher than the national average salary for the private sector.
- 12% growth in the average gross salary per worker
- Additional social and financial benefits.
- 11% of employees have been with the company for over 20 years.
- Conducted 361 trainings to enhance employee qualifications, investing 85 645 EUR
- Promoted engineering sciences and engaged the younger generation.
- Assisted managers in developing their managerial competencies, enhancing leadership skills. Increased the team of experts knowledgeable in IATF standards.



## Path Forward

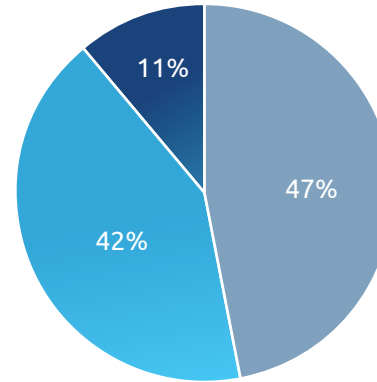
- Enhance and expand training programs, incorporating specialized such Integrated Management Systems, GMP & HACCP, Project management, and soft skills development.
- Conduct at least 400 training sessions in 2025.
- Maintaining competitive working conditions and adequate remuneration.
- In 2025, we will conduct a comprehensive survey of employee engagement and motivation, continuing our practice of regularly assessing these factors every two years to enhance our workplace environment.

## ALCOMET employees by age



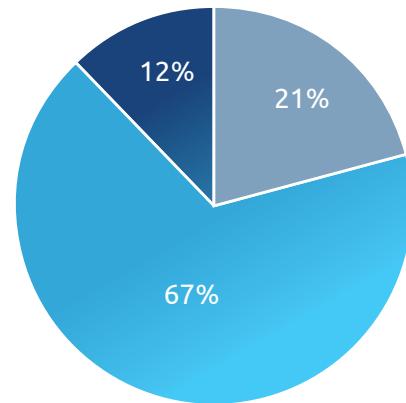
■ up to 30 years ■ 31 to 50 years ■ over 50 years

## Employees experience in ALCOMET



■ up to 5 years ■ up to 20 years ■ over 21 years

## Employees education



■ Primary education ■ Secondary education

The gender ratio on the Board of Directors is 80% male and 20% female. Women hold 21.5% of management positions at the Director level.

The labor turnover index in Alcomet is 13.18. The 2.88% growth compared to 2023 is primarily attributed to the increasing competition in the local labor market and the emergence of new businesses in the region. During the reporting period, 9.31% of the turnover is due to voluntary leaving the company, while the rest almost 4% were let go for not meeting the position's requirements.

To address the upward trend in turnover, the human resources management team has implemented several attraction and retention strategies. Notably, in May 2024, were introduced a new initiative as part of our motivational program called "Bring a Friend". This program allows all employees to recommend friends for open positions and to be awarded for each successful hire who completes their probationary period. In the eight months following the launch of this initiative, Alcomet successfully hired 87 new employees through this program.



Daniela Peneva,  
Human Resources Manager

*The hardest part of HR isn't hiring or firing – it's balancing empathy with decisions.*



# WORKING CONDITIONS AND HUMAN RIGHTS

The regulation of labor and insurance relations is achieved not only through strict adherence to national regulations but also by signing a Collective Labor Agreement with the two syndicate union organizations representing the company's employees. This agreement ensures that the conditions apply to all employees, offering more favorable terms and support from the employer. The agreement covers additional benefits in several key areas:

- **Management of Labor Relations and Protection of Workers' Rights:** Establishing a framework for fair treatment and safeguarding employee rights.
- **Professional Qualification and Retraining:** Providing various training opportunities funded by the employer, along with commitments for ongoing professional development.
- **Working Hours, Leave, and Overtime:** The agreement includes options for additional paid annual leave based on years of service and position, as well as extra days off for mothers and family-related reasons. A cap is also set a limit of overtime each employee can work.

Alcomet ensure extra paid leave for years of work experience and specific professional experience, additional paid leave days depending on positions and work category, also for marriage, blood donation or deaths in the family.

- **Wages:** An annual salary increase has been established, along with provisions for additional remuneration, bonuses, and compensatory mechanisms in response to inflation. The company ensure additional financial incentive for the birth of a child, for children starting school, and financial support in case death of immediate family member.

- **Healthy and Safe Working Conditions:** The company is committed to providing a work environment that exceeds legal safety standards. A comprehensive register of hazardous facilities and activities is maintained, subject to regular inspections, occupational risk assessments, and risk mitigation programs. Compliance with safety regulations is strictly monitored, and employees receive regular training on safety protocols and accident prevention.
- **Insurance and compensation:** The employer arranges collective insurance for occupational accidents and negotiates terms for additional benefits upon termination of employment or retirement.

We regularly hold feedback meetings and surveys every 2 years to assess employee satisfaction and performance, implementing improvements as needed. For 2024, we have received nine proposals for improvements, which have been processed, categorized, and directed to the appropriate departments based on the topic and suggestion.

We are dedicated to fostering a supportive and inclusive work environment that empowers our employees to thrive both personally and professionally. We are honored to feature an interview with one of our long-standing employees, who has been with Alcomet for over 20 years.

“



Angel Ivanov,  
Deputy Head of  
Production, Casting Shop

Angel joined the company in 2001 as an “Rolling mill operator helper”. Over the years, he enhanced his qualifications and progressively advanced through the ranks. In 2022, he was promoted to Deputy Head of the Casting Shop.

### What makes Alcomet a preferred place to work for you?

Alcomet is a stable employer that prioritizes career development by offering numerous opportunities for training and additional qualifications. The company fosters fair labor relations, provides robust support for employees, and maintains a safe working environment that encourages personal and professional growth. Over the years, Alcomet has made significant investments in modernizing machinery and acquiring new equipment, which has facilitated the expansion of our product portfolio and enhanced our operational capabilities.

*I appreciate that the company is continuously evolving, and I enjoy witnessing the changes and growth firsthand. The introduction of modern machines and equipment, along with the improvement of processes, is impressive. Additionally, there are opportunities for employees to contribute to the positive development of the company.*

### What do you consider to be the greatest success in the last 3-4 years, both in terms of your operational work and for the company as a whole?

*One of my greatest successes has been taking over the management of the Casting, where I united and restructured the team, leading us to achieve record levels in cast production. We set ambitious goals for the quality of our casting shop products and ensure higher utilization of secondary materials. Additionally, we successfully implemented an automotive standard in the Continuous Casting Plant, which enhanced our flexibility in changing sizes and alloys, thereby improving the distribution of our product mix. We also installed and commissioned new equipment and made significant improvements in our 5S practices.*

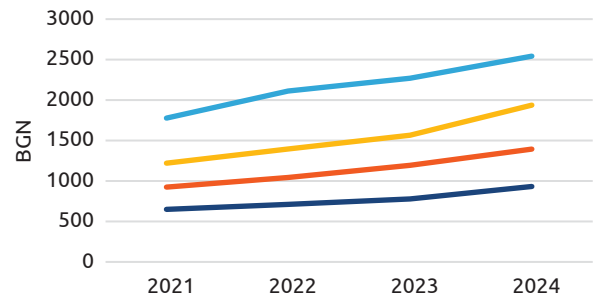
”

## Adequate Wage

We are committed to ensuring equitable wages for all employees, regardless of gender, reflecting our dedication to fair compensation practices.

The minimum wage for the company's employees is set at an average of 30% higher than the national minimum wage. Specifically, the minimum wage for qualified workers is **31.85% higher**, while for unqualified workers, it is **27.21%**. Additionally, night shift wages are significantly elevated, being **60% higher** than the statutory minimum wage.

The average annual salary Alcomet employees is 30% higher than the national average salary for the private sector.



— minimum wage in Bulgaria — entry level wage in Alcomet  
— average wage in Shumen — average wage in Alcomet

In addition to the above aspects, employee care includes providing opportunities, benefits and various financial incentives. The company strives to build beyond legal and industry norms and regulatory expectations through various incentives, including:

- Annual salary adjustments for all employees.
- Medical preventive examinations annually and additional medical services, including availability on-site.

- Complimentary meals.
- Annual holiday vouchers valued at EUR 347, increased with 4.5% compared to previous 2023 year.
- Additional paid leave for education and qualification.
- Team-building activities and sports events.
- Free bus transportation to and from the workplace.

As part of the company's social policy towards its employees, there is an initiative to help parents who are caring for their orphaned children alone. The assistance is in the form of a scholarship to students during the academic year.

For the academic year 2024/2025, we are pleased to report a total of 39 scholarship recipients:

- 15 students from Shumen University "Bishop Konstantin Preslavski".
- 10 students from Vocational High School "Hristo Botev".
- 14 orphans or children without parental care.

In the previous academic year 2023/2024, we had a total of 26 scholarship recipients:

- 13 students from Shumen University.
- 13 orphans.

The total scholarship fund for 2024 amounts to 33 600 EUR.



# EMPLOYEE ENGAGEMENT AND DEVELOPMENT

Employee development and engagement are central to Alcomet’s human resources strategy, encompassing various aspects such as attract people, retention, ensuring health and safety environment and professional growth opportunities.

## Enhanced Employee Qualification

Improve the qualification of employees to align with the company’s needs through participation in different type of trainings.

- Conducted 48 qualification maintenance courses.
- Held 22 trainings on health, safety, environmental quality, and emergency protocols.
- Delivered 35 trainings on new materials, technologies, and equipment.
- Provided introductory training for 256 new employees to ensure effective integration.
- 18.39 hours of training per employee per year 2024 - 8% above the target set previous year.
- Total training costs for 2024: 85 645 EUR.

## Optimize Engineering Recruitment

Enhance the selection process for engineering and actively participating in career days at higher education institutions.

- Participated in career forums at technical universities in Ruse and Varna and HTMU in Sofia.
- Encouraging young specialists and employees to pursue higher education in technical fields by offering additional paid leave. During the 2024/2025 academic year, we supported 18 employees with extra leave for education and cover semester fees for 5 employees.

## Engage the Younger Generation

Strengthen our partnership with the High School of Mechanical Engineering, Electronics, Telecommunications, and Transport “Hristo Botev” and Increasing the knowledge of the younger generation about the industry and its importance for people’s lives in modern times

- Supported student education through organized production practice in July 2024 for 11th-grade students in Automated Systems and Electrical Equipment.
- Engaged students in real tasks to enhance their knowledge and experience.
- 4 students from 12th grade and 6 from 11th grade entered dual training contracts.
- Continuing with the “Industry in My Region” competition, awarding students on June 1, Children’s Day. 152 students participated, divided into three age groups, with themes focusing on industry and engineering.

## Expanding Expert Personnel

- Focus on specific expert knowledge.
- Increased the team of experts knowledgeable in IATF standards, key methods, and techniques for process management in the automotive industry, with 21 individuals successfully trained.

## Develop Leadership Skills

Continue organizing training programs aimed at fostering personal development, leadership skills, and the discovery of individual potential.

- Organized a “Management Skills Development” training for 12 new managers, covering:
- Basic management skills.
  - Communication.
  - Emotional intelligence.
  - Time management.
  - Workshop leadership.
  - Presentation skills.
  - Strategic feedback.

## Improve Communication Skills

Develop Presentation skills, Leading training sessions, meetings, and facilitation; Public speaking.

- In 2024, two “Training of Trainers” courses were organized, each consisting of 10 participants.
- The project’s goal is to equip trainers with modern methodologies and techniques to create an engaging and dynamic learning environment that maintains trainees’ attention throughout the sessions.

# OCCUPATIONAL HEALTH AND SAFETY



## Key policies & guiding principles

- Health and safety policy
- ISO 45001:2018
- Directive 89/391/EEC
- UN Guiding Principles on Business and Human Rights
- International Labour Organization (ILO) Standards



## Achievements

- 0 fatalities as result of work-related injuries and work-related ill health of workers.
- 100% of own workforce is covered by health and safety management system.
- Dynamic risk assessment and monitoring.
- Continued training of workers at all levels.
- Continuous assessment and monitoring of the OH&S system to improve performance
- Prompt risk assessment during the introduction of new equipment, technological changes, and the establishment of new positions and activities.
- Ensuring ration less than 0.55 injuries per 200 000 hours worked.



## Path Forward

- Reducing the level of occupational injuries to zero.
- Focus and efforts on risk prevention.
- Increasing the number of planned internal inspections and the non-conformities discovered during them.
- Strengthening control over compliance with the rules for safe operation of lifting equipment.
- Ensuring a ratio of less than 0.55 injuries per 200 000 hours worked.

At Alcomet, the health and safety of all individuals on our premises is our utmost priority. We are unwavering in our commitment to safeguarding human life and preventing injuries.



Vasko Veselinov,  
Head of Health and Safety Department

*Ensuring occupational health and safety not only protects employees from harm but also fosters long-term productivity, engagement, and trust within the organization. In the context of industrial growth and expanding operations, proactive H&S management is essential to mitigate risks, ensure regulatory compliance, and support sustainable workforce development.*



Our company undertakes the following activities to ensure a safe working environment:



**Comprehensive Risk Assessments:** We conduct thorough risk assessments for each workplace, which are regularly updated to focus on potential hazards and implement effective prevention measures.



**Regular Training Programs:** All employees and contract workers participate in ongoing training to deepen their understanding of the safety regulations established by the company.



**Implementation of Best Practices:** We ensure that all available engineering solutions, cutting-edge technologies, and industry best practices are employed to provide optimal protection for individuals working at Alcomet.



**Incident Investigations:** Internal investigations are systematically carried out following any incident to determine the root causes and mitigate the risk of recurrence.

## Occupational Health and Safety Governance Management System

Our OHS management system is certified under ISO 45001:2018, the leading international standard for proactive health and safety risk control, and under the ASI Performance Standard, which ensures adherence to rigorous labor, safety, and human rights criteria across the

aluminium value chain. These certifications demonstrate that Alcomet has implemented a structured and proactive system to identify and control health and safety risks, reduce the potential for accidents, ensure regulatory compliance, and promote continuous improvement.

The ASI certification further reinforces our responsibility to uphold high labor, health, and safety standards across the aluminium value chain. It mandates adherence to international conventions such as ILO standards and the UN Guiding Principles on Business and Human Rights and requires:

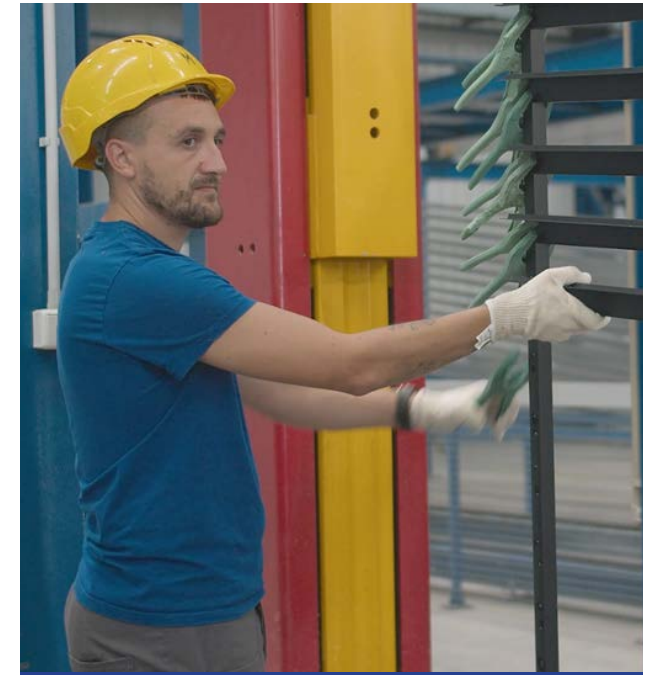
- Eliminating workplace discrimination and supporting worker rights.
- Preventing occupational illness and injury through appropriate risk controls.
- Providing safe infrastructure and protective equipment.
- Maintaining transparent grievance and reporting channels.
- Extending health and safety obligations to contractors, temporary workers, and third parties.
- Complying with international conventions such as ILO standards and the UN Guiding Principles on Business and Human Rights.

In 2024, our activities to ensure Occupational Health and Safety (OH&S) focused on the following areas:

- Identifying hazards at new sites, assessing risks, and implementing measures to mitigate them.
- Updating risk assessments for existing sites.
- Ensuring health and safety in the workplace.
- Safeguarding the health and safety of external visitors.

- Raising awareness among workers, contractors, visitors, and all other stakeholders regarding the risks they may encounter.
- Providing information and consulting with workers.
- Encouraging the participation of non-management workers in the development, planning, implementation, evaluation, and enhancement of OH&S initiatives.
- Supplying appropriate work clothing and personal protective equipment

In 2024, a total of 48 qualification maintenance courses and 22 health and safety training sessions were conducted, along with emergency training in accordance with the Emergency Plan for disaster and accident response. Additionally, introductory training was provided for 256 newly hired workers and employees to facilitate their effective and swift integration into the organization.



## Inclusive and Equitable Health and Safety Governance

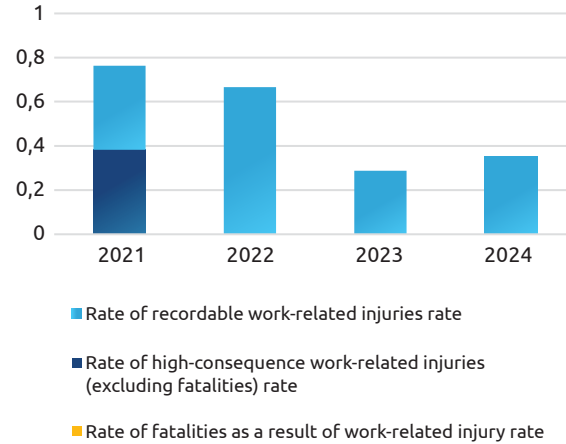
Alcomet ensures that every worker is equally protected under the provisions of collective bargaining agreements, including occupational health and safety standards, regardless of union membership or dues payment. This approach guarantees universal access to negotiated safety benefits, reinforcing our commitment to equitable treatment and inclusion. Employees are not required to pay union dues to benefit from occupational safety provisions, reinforcing our commitment to fairness and equal access to health and safety protections.

Training and safety instructions are tailored to the specific roles and responsibilities of our workforce. Employees are categorized to ensure they receive relevant instructions and controls suited to their work environments. Operational departments have autonomy to implement safety measures, enabling faster responses and greater accountability.

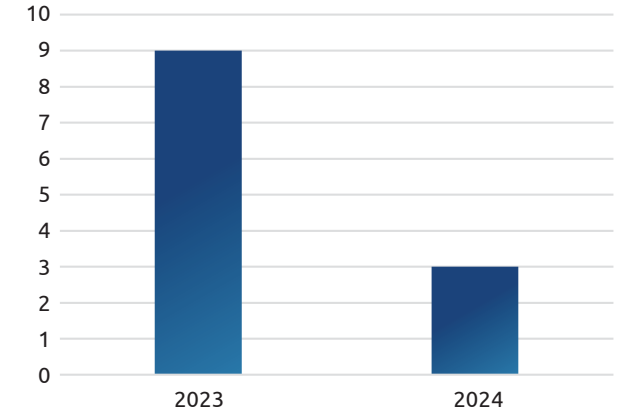
We foster an open-door reporting culture, enabling employees to report hazards through both formal systems and informal channels. This approach promotes early risk detection, enhances mutual trust, and supports the continuous improvement of our safety management system. In 2024, Alcomet expanded the reporting practices to reinforce a preventive safety culture.

We continue to track the injury rates per 200 000 hours worked. In 2024, the rate of recordable work-related injuries was successfully maintained below the internal target of 0.55, demonstrating the effectiveness of Alcomet’s occupational health and safety initiatives.

Rate of injuries based on 200 000 hours worked



Work-related injuries



During the reporting period, a total of 13 incidents were recorded. These included 4 workplace injuries, all resulting from human error or negligence rather than technical malfunctions, and 9 non-injury incidents. Additionally, 47 hazardous situations were reported as part of a newly introduced initiative aimed at enhancing proactive safety engagement.

One case involved a chemical spill in a storage area. The spill was swiftly contained and neutralized in accordance with emergency response procedures. As a result, a drainage channel was constructed to prevent the future spread of liquid substances.

All reported cases were thoroughly investigated. Root causes were identified, and corrective actions were implemented to prevent recurrence. Briefings were conducted to inform employees of the incidents and the measures taken, and relevant safety work instructions and risk assessments were revised where necessary.

## Dynamic Risk Assessment through Job-Specific Mapping

Alcomet employs detailed risk maps to evaluate and visualize hazards across job positions, production processes, and equipment use. These tools are integral to our risk assessment process and help identify both routine and high-consequence risks, enabling targeted preventive measures and ensuring alignment between theoretical hazard identification and practical safety application on the aluminium shop floor. The process includes:

- Assessing operational risks for each workstation and task.
- Classifying hazards based on severity and likelihood.
- Defining corresponding preventive or protective measures.

The regulation on risk assessment defines the conditions for reassessment as follows:

- When changes occur that may influence the level of risk – such as the introduction of new production processes, equipment, products, or materials; changes in work organization; new buildings and premises; or the reconstruction of existing ones.
- Following changes in the legal or regulatory framework.
- When the assessment has been based on data or information that has become invalid or inappropriate.
- When there are opportunities to improve the assessment.
- When the implemented protective and preventive measures prove to be ineffective or inadequate.
- When the results of investigations into accidents, incidents, emergencies, occupational diseases, etc., necessitate a review.

At Alcomet, hazard detection and incident monitoring are embedded into daily operations to ensure proactive safety management. The system includes:

- **Broad Incident Scope:** We define reportable incidents to include not only injuries, but also near-misses and hazardous conditions, enhancing our ability to respond preventively.
- **Dual-Channel Reporting Culture:** Employees are encouraged to report risks through both formal mechanisms (incident logs, supervisor reporting) and **informal feedback channels**, reinforcing a transparent and responsive safety culture.
- **Daily Visual Inspections:** High-risk zones – such as chemical storage areas – are subject to daily inspections, allowing quick detection and resolution of unsafe conditions.

To prepare and carry out the risk assessment activities, a permanent working group was appointed by order of the Employer. The group consists of the Head of the Health and Safety Department, a Health and Safety Expert, and a representative of the Occupational Health Service. When identifying hazards, assessing risks, and determining the necessary measures to reduce and prevent risks, responsible personnel managing production processes in the respective workshops and departments are also involved.

In 2024, the group introduced 8 updated risk assessment cards reflecting recent changes in machinery, layout, and production processes. Additionally, 27 new risk assessment cards were developed for newly commissioned machines and equipment, as well as for newly established positions.

The working group also participated in risk assessments for sites assigned to external contractors. These assessments were carried out jointly with represen-

tatives of the external companies in accordance with Procedure RI 8.1.02-12 “Ensuring Health and Safety for External Visitors”.

In the same year, the Committee on Health and Safety at Work held four sessions in support of the process. This dynamic and adaptive approach enables Alcomet to maintain continuous improvement in workplace safety. Risk maps are not only used for planning but are actively applied in safety briefings, audits, and training, ensuring practical implementation and control effectiveness across the aluminium production process.

## Worker Engagement, Monitoring and External Responsibilities

Alcomet fosters worker participation in OHS processes through structured consultations with supervisors and departments, as well as digital and physical feedback mechanisms. Employees can access all relevant documentation via the Integrated Management System (IMS).

We collaborate with external Occupational Health Services to conduct medical examinations, assess work-related health risks, track capacity for work, and monitor employee health trends over time. Periodic monitoring processes include health evaluations, workplace inspections, and comprehensive incident tracking—regardless of whether an incident resulted in injury. Feedback loops and performance indicators support the continuous improvement of our OHS policy.

Alcomet ensures that contractors, drivers, temporary staff, and external visitors are covered by strict safety protocols. All third-party individuals entering company premises are subject to equivalent OHS procedures, including safety briefings, PPE use, and access control. Visitors to hazardous areas receive mandatory briefings and are accompanied by trained staff.

## Emergency Preparedness

Emergency preparedness is achieved and maintained through annual training sessions in accordance with the Emergency Action Plan for disasters and accidents, as outlined in the approved annual schedule. In 2024, a total of 904 workers and employees of “Alcomet” AD received training.

Emergency response is supported by designated first aid teams trained annually, as well as fire safety inspections, emergency drills, and daily walkthroughs of vulnerable zones such as chemical and material storage areas. In 2024, Alcomet’s emergency preparedness system included multiple unannounced fire drills and simulation exercises, documented in the annual internal OHS audit summary. These activities aimed to validate staff readiness and compliance with evacuation protocols. Mandatory permits are required for high-risk tasks such as welding in potentially flammable environments, further reinforcing site safety and operational discipline. trained annually, as well as fire safety inspections, emergency drills, and daily walkthroughs of vulnerable zones such as chemical and material storage areas. Mandatory permits are required for high-risk tasks such as welding in potentially flammable environments, further reinforcing site safety and operational discipline.

## We care

Our inclusive safety governance model empowers employees, integrates contractors and visitors, and promotes transparency through open reporting channels and daily monitoring. The emphasis on both preventive and corrective measures, including infrastructure upgrades and incident root cause analysis, demonstrates our commitment to continuous improvement. As we expand and modernize our operations, we remain dedicated to sustaining a safe, healthy, and resilient work environment for all individuals engaged in or affected by our activities.

## Human rights and labor rights

At Alcomet, we are dedicated to fostering a workplace that respects and promotes human rights, ensuring that all employees are treated with dignity and fairness. Company’s policies foster inclusion, open communication, and equal opportunities, while explicitly banning child labor and contemporary forms of slavery. Upholding human rights, the Alcomet Management undertakes to ensure:

- Prohibiting child and young workers’ labor in violation of laws.
- Ensuring fair remuneration, timely payment of wages, taxes, and benefits.
- Complying with laws regarding working hours, rest, and overtime.
- Banning forced labor, including human trafficking and debt bondage.
- Upholding human rights in recruitment and appointments transparently.
- Acknowledging diversity and the rights of minority and indigenous groups.
- Supporting employees’ rights to form unions and engage in collective bargaining.
- Enforcing zero tolerance for discrimination, coercion, or abuse.
- Committing to gender equality in employment and development.
- Providing a safe and healthy work environment with preventive measures.
- Disseminating this policy clearly to all employees, subcontractors, and suppliers.

- Ensuring respect for human rights by all personnel, including security staff, who must follow established policies and legal standards.

The principles that the company follows are outlined in our Social Responsibility Policy and Code of Business Conduct and are accessible at our website. Our policies encourage fairness and inclusivity, enabling employees to report discrimination without fear of retaliation. We have established a comprehensive Complaint Management Procedure, providing clear guidelines for submitting and addressing grievances, ensuring a fair and transparent workplace.

The principles of respecting human rights are with high priority for us, and we expect the same uncompromising attitude from our partners – they are required to adhere to our Suppliers’ Code of Conduct.

To our knowledge, there have been no identified or reported operations or suppliers’ activities that present significant risks of child labor or hazardous conditions for workers.

# ENGAGING WITH LOCAL COMMUNITIES



## Why it matters

As one of the largest production companies in Bulgaria and a key player in the region, Alcomet's operations significantly impact the city of Shumen - home to its full-cycle production facility, and the wider region. The company's activities influence local communities primarily through job creation, economic contribution, and long-term investment in quality of life.

Company's long-term success is tied to society trust, local acceptance.

The company actively engages in charitable initiatives aimed at improving local infrastructure and societal welfare. The company maintains open communication with local authorities, NGOs, and educational institutions to foster community development.

### Our main focuses when it comes to community investments:



Health and care



Education and culture



Sports



Social events

Since its establishment, our company has remained a steadfast partner in the region's social, educational, and cultural growth.



### Material Topics

- Affected communities



### Key policies & guiding principles

- Social Responsibility Policy, adopted in 09.01.2023.
- Annual donation and sponsorship planning, aligning contributions with the UN Sustainable Development Goals (SDGs)
- Internal review procedures to assess the social return of investments and community initiatives
- Oversight by the CSR function in cooperation with the executive management



### Achievements

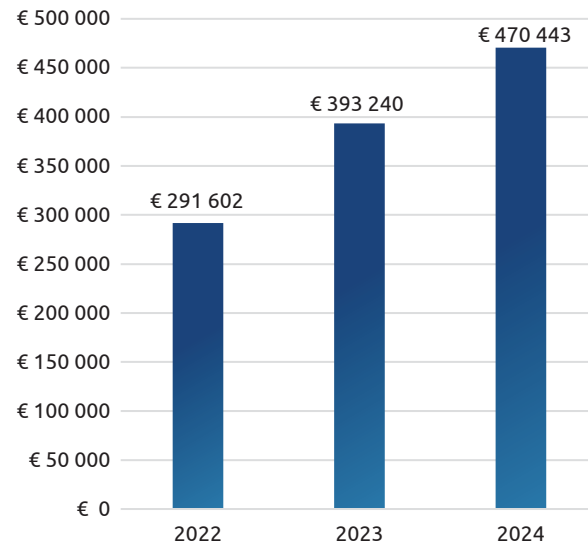
- EUR 470 198 funds donated in 2024.
- 45+ Community development projects supported.
- Honorary Award: "Key to the City of Shumen".
- Recognition from the Municipality of Shumen as a Top Donor.
- The joint award from the National Association of Municipalities to "Alcomet" AD, Mr. Fikret Ince, and the Municipality of Shumen.
- Certificate for Priority Investment with contribution to regional development.



### Path Forward

- New 61 jobs.
- 400 000 EUR amount of money are planned for 2025 for supporting social projects.

### Donations



The scale of Alcomet’s presence means its operations must be carefully managed to avoid potential negative impacts. The company is committed to identifying and addressing such risks in close coordination with the local authorities and stakeholders. Our approach includes:

- Establish relationship with and maximize affected communities’ opportunities.
- Establish operational grievance mechanism between Alcomet and the community.
  - Procedure for handling reports and protecting whistleblowers
  - Procedure for combating bribery and corruption
- Identify project – related community initiatives.
- Open dialogue and opportunity to present the needs by different stakeholders.

## Beyond Business, Towards Better Lives

In recognition of its lasting contributions, our company was named one of the top ten benefactors of Shumen in 2024. At a formal ceremony, the Mayor of Shumen awarded the company a certificate of gratitude and a symbolic gold coin – a distinction reserved for those who demonstrate not only generosity, but sustained commitment to the well-being of the city and its people.

In 2024, “Alcomet” AD received multiple prestigious accolades at both local and national levels, affirming its role as a responsible corporate citizen, strategic investor, and civic partner.

## Care that transforms, wellness that lasts

Healthcare remains a top priority for Alcomet’s community investment strategy. In 2024, the company contributed EUR 91 288 to local initiatives aimed at improving both infrastructure and access to essential medical services. Key contributions included the purchase of hospital beds for the **Orthopedic department and a neonatal patient monitor for the Maternity ward at MBAL-Shumen**, significantly enhancing the quality of care for patients.

### Support for Day Center for Adults with Severe Multiple Disabilities

We provided rehabilitation equipment to the **Day Center for Adults with Severe Multiple Disabilities**, enabling independent living training and improving quality of life. Support was further extended to the **Centre for Social Rehabilitation and Integration**, where funding

was allocated to modernize infrastructure and enhance services for people with physical impairments.

**58 individuals received direct medical assistance for treatments in Bulgaria and abroad**

Beyond institutional aid, the company delivered direct financial support to 58 individuals in need of complex treatments, both in Bulgaria and abroad.

## Where aluminium builds, and people belong

Alcomet reaffirmed its commitment to social inclusion and community development by actively supporting national initiatives, and grassroots organizations.

In 2024 alone, the company dedicated over EUR 50 447 to foundation, NGO’s and other events.

Key highlights of Alcomet’s outreach include continued support for the **“Children of Jazz”** youth festival, partnerships with organizations like the Center for Psychosocial and Spiritual Support “Spodelenost”, and contributions to festivals for children from social institutions, including those with disabilities and minority backgrounds.



“

Marin Marinov,  
Shumen debate club

*Debate Club in Shumen is expressing our sincere gratitude to “Alcomet” AD for their generous support in organizing debate competition and for providing the opportunity to participate in national and international debate tournaments. Your contribution is essential to the development of the youth debate in Shumen, and none of this would have been possible without you.*

”

In addition, Alcomet sponsored debating clubs, co-funded extracurricular programs that promote soft skills, creativity and public speaking as a sport. **Financed national speech and debate tournaments** in both English and Bulgarian, empowering youth with communication, argumentation, and critical thinking skills with many students achieving top national rankings.

Our firm is not only sponsoring different activities, but we also create opportunities for our children to grow and continue their development in the best way possible.



“Shumen open 2024”

At the forefront was the **“Share a Dream” initiative**, under the patronage of the President of Bulgaria. Alcomet contributed to this national effort aimed at providing dignity and encouragement to youth from social institutions as they transition into adulthood. The company funded prom celebrations for graduating students and supported scholarships enabling young people from disadvantaged backgrounds to pursue university education. These efforts offered not only financial relief but also helped foster a sense of belonging and confidence among participants, empowering them to overcome social barriers and envision a brighter future.

## Forging Futures: Support for Culture and Education

“Alcomet” AD’s investment in education and culture is a powerful reflection of its long-standing philosophy that sustainable development must be people-centered, inclusive, and deeply rooted in community enrichment.

**Scholarship fund total 33 600 EUR**

In 2024, the company expanded its engagement across the educational spectrum – from early childhood learning environments to university-level support – allocating over EUR 33 600 in scholarships to 39 deserving students.

**Education support total 36 254 EUR**

Among the recipients were 15 university students from Shumen University “Ep. Konstantin Preslavski” and 10 school pupils from professional school “Hrosto Botev”, and 14 children orphaned or left without parental care.

To further nurture academic achievement, Alcomet actively supported a series of prestigious national educational competitions:

- **Sponsored the 36<sup>th</sup> Republican Student Programming Olympiad**, held in Shumen, which gathered top-performing student coders from across Bulgaria and promoted excellence in digital competencies.
- **The National Computer Modelling Contest** for 3<sup>rd</sup> and 4<sup>th</sup>-grade students, providing over 100 children the opportunity to develop early digital literacy and logical thinking skills.
- Invested in educational infrastructure across multiple kindergartens and schools in Shumen, including:
  - Installation of interactive digital displays.
  - Modernization of classroom furniture.
  - Outdoor play facilities.

These upgrades created engaging and future-ready learning environments for hundreds of students and teachers.

## From Metal to Movement: Alcomet's Impact on Sport

With a total of EUR 259 245 allocated to the development of local and youth sports, the company played a transformative role in strengthening Shumen's athletic infrastructure, supporting competitive teams, and fostering inclusive access to physical education for children and young people across the region.

**Over 600 Children/youth  
reached through sports support**

One of the most significant undertakings supported by Alcomet in 2024 was the donation for the installation of artificial turf at the "Tsonyo Vasilev" school stadium and the construction of new mini football fields in Shumen. This investment provided a modern, safe, and weather-resilient playing surface for schoolchildren and amateur athletes alike, enhancing opportunities for daily physical activity and organized tournaments.

**Sport support 259 245 EUR**

Youth sports received special attention, with substantial support extended to school and community-based athletic programs. Alcomet continued to back student sports clubs such as USSH "Khan Krum," where 100 children aged 10 to 16 participated in regional football competitions. It also supported the local chess and wrestling clubs, where over 145 children between the ages of 6 and 18 trained regularly, developing strategic thinking, focus, and resilience.

In organized sports, Alcomet maintained its commitment to Shumen's men's basketball, football, and handball clubs, contributing to their competitive success and operational sustainability. Support was also extended to the volleyball club "Ioan Ekzarh Bulgarski – Shumen 05," which trains over 100 girls, as well as the handball club "Shumen 98," which engaged more than 80 children aged 8 to 16. These clubs play a critical role

not only in talent development but also in representing the city at national tournaments, thus fostering regional pride and sportsmanship.

Alcomet also championed more niche and high-performance sports. The rhythmic gymnastics club "Ritmika," whose majorettes are part of Bulgaria's national team, participated in the XXVII European Championship in Eindhoven, Netherlands. The team brought home impressive fourth and fifth place finishes, a testament to the rigorous preparation and talent nurtured through community support. The company similarly supported the national dance championships hosted in Shumen, as well as local tennis clubs, cycling marathons, and even sports events tailored for individuals with hearing impairments, ensuring no athlete is left behind.



"Ritmika"



"Shumen 98"

## Caring about the nature trough the local communitis

Alcomet organized a local, environmentally focused initiative under the motto: “With Care and Love for Shumen – Our City! Let’s Keep It Clean for Future Generations!” The campaign invited the active participation of students, teachers, and academic staff from all educational institutions across the Shumen region. As part of the initiative, branded containers for collecting aluminium cans were placed in every participating school. The collected cans are purchased by us for subsequent recycling. The only condition set by us is that the awarded funds be used for the benefit of the students.

The initiative aims to cultivate environmental awareness and responsibility among the younger generation by encouraging active involvement in sustainable practices. All collected aluminium cans are melted down and recycled, supporting the European Union’s goals for a circular and green economy. In 2024, the first half of the compaign endend by awarding 3 shcools. In the award segment of the event, Alcomet’s majority shareholder, Mr. Fikret Ince, personally presented monetary prizes to the top three schools that collected the largest volumes of aluminium cans:

1. **Vocational School of Mechanical Engineering, Electronics, Telecommunications and Transport “Hristo Botev”** – awarded BGN 3 000



2. **2nd Primary School “Dr. Petar Beron”** – awarded BGN 2 000
3. **Secondary School “Sava Dobroplodni”** – awarded BGN 1 000

The revenue from the sale of the collected cans, BGN 1 000, would be donated for a charitable cause: the renovation of the Children’s Ward at the Shumen hospital. The second stage of the “For a Clean Shumen” initiative we launched immediately following the ceremony, with expectations for even greater participation and impact.



# BUSINESS ETHICS





### Key policies & guiding principles

- Code of conduct
- Anti-bribery and corruption procedure policy
- ISO/IEC 27001:2022
- Directive 2014/95/EU
- Complaint management procedure policy



### Achievements

- No incidents of bribery or corruption were reported or investigated.
- No fines or legal sanctions imposed in relation to ethical misconduct.



### Path Forward

- Maintain a zero-tolerance level for bribery and corruption, ensuring no incidents occur, and avoiding any fines or legal sanctions.
- Continue to foster open dialogue on ethical topics.

Alcomet is committed to conducting its business with integrity and transparency. The company's approach to business ethics is defined by a framework of internal policies. These are complemented by governance structures aligned with both Bulgarian legislation, such as the Law on Protection of Persons Reporting or Publicly Disclosing Information on Breaches, and applicable EU directives, including Directive (EU) 2019/1937 on the protection of whistleblowers and Directive 2014/95/EU on non-financial reporting. The company's existing policies on anti-bribery, whistleblower protection, and business ethics meet ASI.

## Our approach toward business ethics

The company has adopted a formal Code of Business Conduct and Ethics, approved by the Management Board, which outlines the values, principles, and expectations for all employees, contractors, and business

partners. The code promotes principles such as integrity, and transparency. It explicitly prohibits discrimination, harassment, and the use of forced or child labor, while emphasizing fair treatment, equal opportunities, and safe working conditions. This code reinforces the company's commitment to:

- Respecting human rights and labor standards.
- Preventing corruption, bribery, and conflicts of interest.
- Ensuring health, safety, and fair treatment at the workplace.
- Promoting sustainability and social responsibility.
- Promotes diversity and inclusion across the organization.
- Provides safe working conditions and proactively manages occupational risks.

- Offers employees channels for collective bargaining and freedom of association.
- Ensures equal pay and training opportunities regardless of gender, age, or background.

The Code is publicly accessible and is regularly communicated during onboarding, training sessions, and internal reviews.

You can fully read it here: [Code of conduct](#)

## Fighting corruption and bribery

Alcomet maintains a zero-tolerance policy towards corruption and bribery. Our official [Anti-Bribery and Corruption Procedure](#) clearly prohibits all forms of corrupt practices, including facilitation payments, lavish gifts, or any offering of advantages to gain improper business advantage. Key features include:

- Mandatory due diligence on third parties (suppliers, agents, consultants).
- Prohibition of political or charitable donations without executive board approval.
- Obligation of all employees to report suspected violations.
- Disciplinary measures, including termination, for non-compliance.
- Direct accountability of third-party misconduct if acting on behalf of Alcomet.

**In 2024, no incidents of bribery or corruption were reported or investigated, and there were no fines or legal sanctions imposed in relation to ethical misconduct.**

## Whistleblower Protection and Complaints Handling

We established a comprehensive procedure for whistleblower protection and complaints handling, designed to ensure transparency, accountability, and a safe environment for reporting misconduct. The policy covers a wide range of violations, including breaches of Bulgarian law and EU regulations related to public procurement, environmental protection, consumer rights, data privacy, and more. Employees, contractors, and external stakeholders can submit:

- In writing, via post or electronic form.

- Orally, via phone or scheduled meeting.
- Anonymously, if preferred by the reporting party.

A key feature of the policy is the strong protection offered to whistleblowers: individuals who report in good faith are shielded from retaliation such as dismissal, demotion, or workplace harassment. All reports are logged in a central registry, thoroughly investigated, and treated confidentially, ensuring both due process and the integrity of the organization's response mechanisms. Our policy is available here: [Policy for complaints handling](#).

In 2024, all received signals were registered and processed in accordance with the law and company procedure. No reprisals were recorded against whistleblowers.

## Code: "Integrity in Motion"

Alcomet promotes transparency in all its operations. Employees are required to disclose any potential conflicts of interest and must abstain from actions that could compromise company integrity. The company prohibits:

- Insider trading.
- Anti-competitive agreements or abuse of market position.
- Misuse of confidential information.

## Safeguard Data and Privacy

In an age of increasing cyber threats and data breaches, safeguarding sensitive information is a top priority. Alcomet maintains the highest standards of data privacy and information security through its ISO 27001-certified Information. As part of this process, the company strengthened its Integrated Management System (IMS) by revising and expanding its internal procedures to comply with the standard's stringent requirements.

## ISO 27001 – Information Security Management System

In connection with this topic, in 2024 we made the following updates:

- Updated the Integrated Management System Manual.
- Developed a new procedure for 'Information Security Risk Management'.
- Made corrections to five existing procedures.
- Created nine new work instructions.
- Revised eight work instructions.

The company's Privacy Policy places strong emphasis on the lawful and transparent processing of personal data, including identification information, salary records, health-related data, and video surveillance footage. For each data category, clear purposes are defined, and individuals are guaranteed their rights to access, correct, or delete their personal data.

We handle personal data in strict compliance with internal procedures and applicable Bulgarian and European legislation, including the General Data Protection Regulation (GDPR). Disclosure to third parties occurs only when necessary, such as to competent public authorities or trusted service providers, under clearly defined legal and contractual safeguards.

## The way forward

While core frameworks are already in place, Alcomet continues to pursue continuous improvement in line with international standards, including future to enhance ESG risk management, expand ethics training, and keep high level of stakeholder transparency. These efforts reflect the company's strategic view that ethical governance is not only a compliance requirement, but a fundamental pillar of sustainable business success.

# ANNEXES



# ANNEX I: QUANTITATIVE DATA

## GENERAL DISCLOSURE - ESRs 2

ESRS/ GRI	Indicator (name)	Unit	2022	2023	2024
ESRS 2 BP-2 14 b	Disclosure of corrections for prior periods included in sustainability statement	Number			0
ESRS 2 GOV-1 21 a	Number of executive members	Number	5	5	5
ESRS 2 GOV-1 21 a	Number of non-executive members	Number	7	7	7
ESRS 2 GOV-1 21 d	Percentage of members of administrative, management and supervisory bodies (female)	%			0.125
ESRS 2 GOV-1 21 d	Percentage of members of administrative, management and supervisory bodies (male)	%			0.875
ESRS 2 GOV-1 21 d	Number of female board members	Integer			1
ESRS 2 GOV-1 21 d	Number of male board members	Integer			7
ESRS 2 GOV-1 21 d	Total number of board members	Integer			8
ESRS 2 GOV-1 21 d	Board's gender diversity ratio	%			13%
ESRS 2 GOV-1 21 e	Percentage of independent board members	%			30%
ESRS 2 GOV-1 21 e	Number of independent board members	Number			4
ESRS 2 SBM-1 40 a, iii AR 12-13	Total number of employees (head count)	Number			1 292
ESRS 2 SBM-1 40 a, iii AR 12-13	Number of employees (head count)	Number			1 292
ESRS 2 SBM-1 40 b AR 12-13	Total revenue	EUR	363 776	223 649	266 928

## SUSTAINABLE PARTNER

### PRODUCT STEWARDSHIP AND QUALITY

GRI / Company specific	Indicator	Unit	2022	2023	2024
Company specific	Share of value-added products in total sales	%	0.68	0.64	0.64
GRI 416; 416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	%	-	-	
<b>Customer health and safety</b>					
GRI 416; 416-2	Total number of incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and service	Number	0	0	0
GRI 416; 416-2	Incidents of non-compliance with regulations resulting in a fine or penalty	Number	0	0	0
GRI 416; 416-2	Incidents of non-compliance with regulations resulting in a warning	Number	0	0	0
GRI 416; 416-2	Incidents of non-compliance with voluntary codes	Number	0	0	0
<b>Marketing and Labeling</b>					
GRI 417; 417-1	Whether each of the following types of information is required by the organization's procedures for product and service information and labeling:				
GRI 417; 417-1	The sourcing of components of the product or service	Yes/No	Yes	Yes	Yes
GRI 417; 417-1	Content, particularly with regard to substances that might produce an environmental or social impact	Yes/No	Yes	Yes	Yes
GRI 417; 417-1	Safe use of the product or service	Yes/No	No	No	No
GRI 417; 417-1	Disposal of the product and environmental or social impacts	Yes/No	No	No	No
GRI 417; 417-1	Statement on customer request of product or material specific information	Number	147	221	177
GRI 417; 417-1	Claims refer to commercial appearance inappropriate to contact with food product (%)	%	9%	1%	2%
GRI 417; 417-1	Significant product or service categories covered by and assessed for compliance with procedures for product and service information and labeling	%	13%	13%	25%
GRI 417; 417-2	Total incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling	Number	0	0	0
GRI 417; 417-2	Incidents of non-compliance with regulations resulting in a fine or penalty	Number	0	0	0
GRI 417; 417-2	Incidents of non-compliance with regulations resulting in a warning	Number	0	0	0
GRI 417; 417-2	Incidents of non-compliance with voluntary codes	Number	0	0	0
GRI 417; 417-3	Total incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by:				
GRI 417; 417-3	Incidents of non-compliance with regulations resulting in a fine or penalty	Number	0	0	0
GRI 417; 417-3	Incidents of non-compliance with regulations resulting in a warning	Number	0	0	0
GRI 417; 417-3	Incidents of non-compliance with voluntary codes	Number	0	0	0

## SUSTAINABLE PARTNER

### TECHNOLOGY AND DEVELOPMENT

GRI / Company specific	Indicator	Unit	2022	2023	2024
<b>Research and development</b>					
Company specific	Number of R&D projects (started/active)	Number		5 process design development projects. Over 500 new extruded profile items, with 20% requested in 4 major projects.	10 projects related to process design, to obtain new rolled products and 480 new items of extruded profiles
Company specific	Percentage of the total worktime invested in R&D	%		0,50%	0,70%
<b>Modernisation &amp; automatization</b>					
Company specific	Automatization of the production process	Number		12 projects	16 projects
Company specific	Investments in automatization	EUR		629 000	651 000

### SUSTAINABLE SUPPLIER

GRI / Company specific	Indicator	Unit	2022	2023	2024
<b>Customer Privacy</b>					
GRI 418; 418-1	Total number of substantiated complaints received concerning breaches of customer privacy, categorized by:	Number			
GRI 418; 418-1	Complaints received from outside parties and substantiated by the organization	Number	-		0
GRI 418; 418-1	Complaints from regulatory bodies	Number	-		0
GRI 418; 418-1	Total number of identified leaks, thefts, or losses of customer data	Number	-		0

## SUSTAINABLE PARTNER

### SUPPLY CHAIN MANAGEMENT

GRI / Company specific	Indicator	Unit	2022	2023	2024
Company specific	Repeat orders: presence of subsequent orders from existing customers	%	86%	86%	66%
Company specific	Percentage of Alcomet's top 40 clients with long-term relationships (10 or more years)	%	70%	68%	88%
<b>Purchased quantities of Group 1 raw materials</b>					
Company specific	Purchased quantities of Group 1 raw materials - primary ingot	%	67%	74%	62%
Company specific	Purchased quantities of Group 1 raw materials - scrap	kg	52 875 815	44 680 380	48 111 195
Company specific		%	3%	10%	10%
Company specific	Purchased quantities of Group 1 raw materials - secondary ingot	kg	2 176 254	6 144 985	7811 886
Company specific		%	0.0932	0.06	0.035
Company specific	Purchased quantities of Group 1 raw materials - billets	kg	7 355 142	3 677 458	2 712 606
Company specific		%	0.145	0.0761	0.13
Company specific	Purchased quantities of Group 1 raw materials - coils	kg	11 454 335	4 620 247	10 231 575
Company specific		%	0.064	0.0266	0.11
Company specific	Number of screened suppliers from Group 2	kg	5 066 044	1 617 807	8 449 102
Company specific				401	471
<b>Procurement Practices</b>					
GRI 204-1	Percentage of the procurement budget that is spent on local suppliers (Share of local suppliers based on the entire turnover of Alcomet) - incl. scrap	%	0.38	0.47	0.65
	Percentage of the procurement budget that is spent on local suppliers (Share of local suppliers based on the entire turnover of Alcomet) - excl. scrap	%		0.3376	0.45
<b>Supplier Environmental Assessment</b>					
GRI 308-1	Percentage of new suppliers that were screened using environmental criteria	%	5%	13%	22%
GRI 308-2	Number of suppliers assessed for environmental impacts	Number	22	24	27
	Number of suppliers identified as having significant actual and potential negative environmental impacts	Number			0
	Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which improvements were agreed upon as a result of assessment	%	0	0	0
	Percentage of suppliers identified as having significant actual and potential negative environmental impacts with which relationships were terminated as a result of assessment	%	0	0	0
<b>Supplier Social Assessment</b>					
GRI 414-1	Percentage of new suppliers that were screened using social criteria	%	5%		22%
GRI 414-2	Number of suppliers assessed for social impacts	Number	22		27
	Number of suppliers identified as having significant actual and potential negative social impacts	Number			0
	Percentage of suppliers identified as having significant actual and potential negative social impacts with which improvements were agreed upon as a result of assessment	%			0
	Percentage of suppliers identified as having significant actual and potential negative social impacts with which relationships were terminated as a result of assessment	%			0

## CARE FOR ENVIROMENT

### CLIMATE AND DECARBONIZATION

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Energy</b>					
E1-5 37 a AR 33, AR 32	Total energy consumption from fossil sources	MWh			198 506
E1-5 38 a AR 33	Fuel consumption from coal and coal products	MWh			0
E1-5 38 b AR 33	Fuel consumption from crude oil and petroleum products	MWh	1390	1393	1299
E1-5 38 b AR 33	Fuel consumption from diesel	MWh	746	845	1 006
E1-5 38 b AR 33	Fuel consumption from gasoline	MWh	34	31	53
E1-5 38 b AR 33	Fuel consumption from LPG	MWh	610	517	241
E1-5 38 b AR 33	Fuel consumption from other sources	MWh			0
E1-5 38 c AR 33 GRI 302; 302-1	Fuel consumption from natural gas	MWh	146 843	133 421	161 412
E1-5 38 d AR 33 GRI 302; 302-1	Fuel consumption from other fossil sources	MWh			0
E1-5 38 e AR 33 GRI 302; 302-1	Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	MWh			35 795
E1-5 37 b GRI 302; 302-7	Total energy consumption from nuclear sources	MWh			36 599
E1-5 37 c GRI 302; 302-7	Total energy consumption from renewable sources	MWh			11 101
E1-5 37 c i GRI 302; 302-1	Fuel consumption from renewable sources	MWh			0
E1-5 37 c ii GRI 302; 302-7	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh			8 865
E1-5 37 c iii GRI 302; 302-7	Consumption of self-generated non-fuel renewable energy	MWh			2 236
E1-5 39	Non-renewable energy production	MWh			0
E1-5 39	Renewable energy production	MWh			2 236
<b>Scope 3</b>					
E1-4 34 a + 34 b GRI 305; 305 -5	Absolute value of Scope 3 Greenhouse gas emissions reduction	tCO2eq	First year of reporting		790 809.59
E1-4 34 a + 34 b	Percentage of Scope 3 Greenhouse gas emissions reduction (as of emissions of base year)	%	First year of reporting		First year of reporting
E1-4 34 a + 34 b	Intensity value of Scope 3 Greenhouse gas emissions reduction	tCO2eq	First year of reporting		First year of reporting
E1-6 44 48a AR 39 AR 43 GRI 305; 305 -7	Gross Scope 1 greenhouse gas emissions	tCO2eq	26553	23690	29535

## CARE FOR ENVIROMENT

### CLIMATE AND DECARBONIZATION

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Scope 3</b>					
E1-6 48 b AR 44	Percentage of Scope 1 GHG emissions from regulated emission trading schemes	%			99%
E1-6 48 b AR 44	GHG emissions from EU ETS installations	tCO2eq			29 179
E1-6 48 b AR 44	GHG emissions from EU national installations	tCO2eq			0
E1-6 48 b AR 44	GHG emissions from nonEU ETS installations	tCO2eq			0
E1-6 AR 43 c	Biogenic emissions of CO2 from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions	tCO2eq			0
"E1-6 44 AR 39 GRI 305; 305-1"	Gross Scope 2 greenhouse gas emissions	tCO2eq	37 624	32 219	36 586
E1-6 AR 45 d	Scope 2 GHG emissions contractual instruments used for sale and purchase of energy bundled with attributes about energy generation	tCO2eq			0
E1-6 AR 45 d	Scope 2 GHG emissions covered by contractual instruments used for sale and purchase of unbundled energy attribute claims	tCO2eq			0
E1-6 AR 45 e	Biogenic emissions of CO2 from combustion or bio-degradation of biomass not included in Scope 2 GHG emissions	tCO2eq			0
E1-6 44 AR 39	Gross Scope 3 GHG emissions	tCO2eq			790 810
E1-6 AR 41	Gross Scope 3 GHG emissions (GHG protocol)	tCO2eq			790 810
E1-6 AR 50	Gross Scope 3 GHG emissions (ISO 14064-1)	tCO2eq			790 810
E1-6 AR 53	Gross Scope 3 GHG emissions (in he value chain: Upstream)	tCO2eq			496 331
E1-6 AR 54	Gross Scope 3 GHG emissions (in he value chain: Downstream)	tCO2eq			294 479
E1-6 AR 55	Gross Scope 3 GHG emissions (in he value chain: Transport)	tCO2eq			12 477
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Purchased Goods and Services	tCO2eq			476 708
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Capital Goods	tCO2eq			10 841
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Fuel and Energy-Related Activities Not Included in Scope 1 or Scope 2	tCO2eq			84
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Upstream Transportation and Distribution	tCO2eq			8 645
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Waste Generated in Operations	tCO2eq			26
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Business Travel	tCO2eq			25
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Employee Commuting	tCO2eq			2
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Downstream Transportation and Distribution	tCO2eq			3 832
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - Processing of Sold Products	tCO2eq			290 150
E1-6 51 AR 46	Gross Scope 3 greenhouse gas emissions - End-of-Life Treatment of Sold Products	tCO2eq			490
E1-6 51 AR 47	Gross Scope 3 greenhouse gas emissions - Downstream Leased Assets	tCO2eq			7
E1-6 AR 46 g	Percentage of GHG Scope 3 calculated using primary data	%			100
E1-8 63 d	Percentage of gross Scope 1 greenhouse gas emissions covered by internal carbon pricing scheme	%			33%
E1-8 63 d	Gross Scope 1 greenhouse gas emissions covered by internal carbon pricing scheme	tCO2eq			98.86
E1-6 AR 55	Net revenue used to calculate GHG intensity	EUR			266 452 095
E1-5 AR 38 b	Net revenue from activities in high climate impact sectors	EUR			266 452 095

First year of reporting

## CARE FOR ENVIROMENT

### CIRCULAR ECONOMY AND WASTE MANAGEMENT

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Materials</b>					
E5-4 31c AR 23	The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging)	t/kg			2 810
E5-4 31c AR 23	FOR	t/kg			2 306
E5-4 31c AR 24	LDPE	t/kg			124
E5-4 31c AR 26	PAP	t/kg			333
E5-4 31c AR 31	PET	t/kg			47
E5-4 31c AR 23	LDPE	%			100
E5-4 31c AR 23	PAP	%			100
E5-4 31c AR 23	PET	%			100
E5-5 36c AR 27	The rates of recyclable content in products	%			100
E5-5 36c AR 27	The rates of recyclable content in products packaging	%			100
E5-5 36c AR 27	FOR	%			100
E5-5 36c AR 27	LDPE	%			100
E5-5 36c AR 27	PAP	%			100
E5-5 36c AR 27	PET	%			100
<b>Waste</b>					
E5-5 37 a GRI 306;306-3	Total waste generated	t	30 992	29 189	36 927
E5-5 37 b AR 31	Total amount of waste diverted from disposal	t	30 424	28 724	36 130
E5-5 37 b AR 31 GRI 306; 306-4	Hazardous waste diverted from disposal	t	385	226	216
E5-5 37 b i AR 31 GRI 306; 306-4	Hazardous waste diverted from disposal due to preparation for reuse	t	116	36	63
E5-5 37 b ii AR 31 GRI 306; 306-4	Hazardous waste diverted from disposal due to recycling	t	1	2	153
E5-5 37 b iii AR 31 GRI 306; 306-4	Hazardous waste diverted from disposal due to other recovery operations	t	268	188	0
E5-5 37 b AR 31 GRI 306; 306-4	Non-hazardous waste diverted from disposal	t	30 039	28 498	35 914
E5-5 37 b i AR 31 GRI 306; 306-4	Non-hazardous waste diverted from disposal due to preparation for reuse	t	252	126	109
E5-5 37 b ii AR 31 GRI 306; 306-4	Non-hazardous waste diverted from disposal due to recycling	t	29 787	28 372	35 805

## CARE FOR ENVIROMENT

### CIRCULAR ECONOMY AND WASTE MANAGEMENT

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Waste</b>					
E5-5 37 b iii AR 31 GRI 306; 306-4	Non-hazardous waste diverted from disposal due to other recovery operations	t	0	0	0
E5-5 37 c AR 32 GRI 306; 306-5	Total amount of waste directed to disposal	t	568	465	797
E5-5 37 c AR 32 GRI 306; 306-5	Hazardous waste directed to disposal	t	460	375	797
E5-5 37 c i AR 32	Hazardous waste directed to disposal by incineration	t	0	0	0
E5-5 37 c ii AR 32	Hazardous waste directed to disposal by landfilling	t	446	375	797
E5-5 37 c iii AR 32	Hazardous waste directed to disposal by other disposal operations	t	0	0	0
E5-5 37 c AR 32	Non-hazardous waste directed to disposal	t	108	90	0
E5-5 37 c i AR 32	Non-hazardous waste directed to disposal by incineration	t	0	0	0
E5-5 37 c ii AR 32	Non-hazardous waste directed to disposal by landfilling	t	108	90	0
E5-5 37 c iii AR 32	Non-hazardous waste directed to disposal by other disposal operations	t	0	0	0
E5-5 37 d	Non-recycled waste	t			797
E5-5 37 d	Percentage of non-recycled waste	%			2%
E5-5 39 GRI 306; 306-3	Total amount of hazardous waste	t/kg	845	601	1 013
E5-5 39 GRI 306; 306-3	Total amount of radioactive waste	t/kg		0	0

### AIR QUALITY - Qualitatives indicators

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Emissions</b>					
E2-4 28 a AR 21 - 22 GRI 305; 305-7	Emissions to air by pollutant	Маса/ kg/ година			113 008.6
E2-4_02 28 a AR 21 - 22	CH4 emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	CO emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	CO2 emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	HCl emissions	t/kg			0

## CARE FOR ENVIROMENT

### AIR QUALITY

ESRS / GRI	Indicator	Unit	2022	2023	2024
<b>Emissions</b>					
E2-4_02 28 a AR 21 - 22	HFCs emissions	kg			14.6
E2-4_02 28 a AR 21 - 22	N2O emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	NH3 emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	NOx emissions	kg	13 270	11 854	17 434
E2-4_02 28 a AR 21 - 22	Particulate Matter (PM2.5 and PM10)	kg	12 476	7 037	10 534
E2-4_02 28 a AR 21 - 22	PFCs emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	SF6 emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	SOx emissions	t/kg			0
E2-4_02 28 a AR 21 - 22	TOC emissions	kg	78 481	59 466	85 026
E2-4_02 28 a AR 21 - 22	VOC emissions	t/kg			0
E2-4_03 28 a AR 21 - 22	Emissions to water: Total nitrogen	kg			29.457
E2-4_03 28 a AR 21 - 22	Emissions to water: Total phosphorus	kg			239.491
E2-4_03 28 a AR 21 - 22	Emissions to water: Chlorides (as total Cl)	kg			26 539.3
E2-4_03 28 a AR 21 - 22	Emissions to water: Cyanides (as total CN)	t/kg			0
E2-4_03 28 a AR 21 - 22	Emissions to water: Fluorides (as total F)	kg			6.43
E2-4_03 28 a AR 21 - 22	Emissions to water: bisphenol A	t/kg			0
E2-4_03 28 a AR 21 - 22	Emissions to water: PFAS	t/kg			0
E2-4_03 28 a AR 21 - 22	Emissions to water: TOC	kg			108.64

## CARE FOR ENVIROMENT

### WATER RESOURCES

ESRS / GRI	Indicator	Unit	2022	2023	2024
E3-4_11 AR 32	Water withdrawn from surface water	m <sup>3</sup>			0
E3-4_11 AR 32	Water withdrawn from underground water	m <sup>3</sup>	192 001	218 364	279 231
E3-4_11 AR 32	Water withdrawn from third parties (e.g. municipal water)	m <sup>3</sup>			0
E3-4_12 AR 32 GRI 303; 303-4	Total water discharges	m <sup>3</sup>	208 760	244 240	287 800
E3-4_12 E3-4_12	Water discharge from surface water	m <sup>3</sup>	208 760	244 240	287 800
E3-4_12 E3-4_12	Water discharge from underground water	m <sup>3</sup>	0	0	0
E3-4_12 E3-4_12	Water discharge from third parties (e.g.municipal water)	m <sup>3</sup>	0	0	0
E3-4_07 28 e AR 29	Share of water quantity obtained from direct measurement	%			100
E3-4_07 28 e AR 29	Share of water quantity obtained from sampling and extrapolation	%			0

## RESPONSIBLE EMPLOYER

### OUR WORKFORCE

ESRS / GRI	Indicator	Unit	2022	2023	2024		
			Total	Total	Male	Female	Total
S1-6_02 50 a AR 57	Number of employees	Number	1 133	1 203			1 292
S1-14_02 88 b AR 89	Total hours worked by people in his own workforce	Number					2 290 984
S1-6_04 50 a GRI 2; 2-7	Characteristics of undertaking's employees - number of employees in countries with 50 or more employees representing at least 10% of total number of employees	Number			967	325	1 292
S1-6_05 50 a AR 57 GRI 2; 2-7	Number of employees in countries with 50 or more employees representing at least 10% of total number of employees (average across the year or at end of the year, FTE or head count - please specify)	Number			967	325	1 292
S1-6_05 49 a AR 56	10% of total number of employees threshold	-					129.2
S1-6_06 50 a AR 57 GRI 2; 2-7	Average number of employees in countries with 50 or more employees representing at least 10% of total number of employees	Number					
S1-6_05 49 a AR 56	10% of total number of employees threshold	Number					129.2
S1-6_07 50 b GRI 2; 2-7	Characteristics of undertaking's employees - information on employees by contract type and gender	Number			967	325	1292

## RESPONSIBLE EMPLOYER

### OUR WORKFORCE

ESRS / GRI	Indicator	Unit	2022	2023	2024		
			Total	Total	Male	Female	Total
S1-6_07 51 b i	Permanent employees, and breakdown by gender	Number	1 055	1 050	863	300	1 163
S1-6_07 53 b ii	Temporary employees, and breakdown by gender	Number	78	153	104	25	129
S1-6_09 50 b + 51 GRI 2; 2-7	Number of employees (head count or full-time equivalent)	Number			967	325	1 292
S1-6_10 50 b + 51 GRI 2; 2-7	Average number of employees (head count or full-time equivalent)	Number			941	321	1 262
S1-6_11 50 c AR 59GRI 2; 2-7	Number of employee who have left undertaking	Number	197	124	136	31	167
S1-6_12 50 c	Number of employees at the beginnign of the reporting period	Number			897	306	1 203
S1-6_12 50 c	Number of employees at the end of the reporting period	Number			967	325	1 292
S1-6_12 50 c GRI 2; 2-7	Percentage of employee turnover	%			685.3	1 017.7	747.0
S1-6_19 52 a	Full-time employees , and breakdowns by gender	Number	1 133	1 203	967	325	1 292
S1-6_20 52 b	Number of part-time employees by head count or full time equivalent	Number			0	0	
S1-8_01 60 a AR 66	Percentage of total employees covered by collective bargaining agreements	%					100
S1-8_01 60 a AR 66	Number of employees covered by collective bargaining agreements	Number					1 292
S1-9_01 66a	Distribution by gender, as a headcount at the senior management level	Number			11	3	14
S1-9_02 66 a	Distribution by gender, as a percentage at the senior management level	%			78.57	21.43	100
<b>Diversity and inclusion</b>							
S1-9_03 66 b	Distribution of employees (headcount) under 30 years old	Number			155	29	184
S1-9_03 66 b GRI 405; 405-1	Distribution of employees (headcount) under 30 years old (percentage)	%					14.24
S1-9_04 66 b	Distribution of employees (headcount) aged 30-50 years	Number			551	203	754
S1-9_04 66 b	Distribution of employees (headcount) aged 30-50 years (percentage)	%					58.4
S1-9_05 66 b	Distribution of employees (head count) over 50 years old	Number			261	93	354
S1-9_05 66 b	Distribution of employees (head count) over 50 years old (percentage)	%					27.40
S1-12_01 79 GRI 405; 405-1	Percentage of persons with disabilities amongst employees, subject to legal restrictions on collection of data	%			2.59	2.77	2.63
S1-12_01 79	Number of persons with disabilities amongst employees, subject to legal restrictions on collection of data	Number			25	9	34
S1-12_02 80	Percentage of employees with disabilities in own workforce breakdown by gender	%			2.59	2.77	2.63
S1-12_02 80	Number of employees with disabilities in own workforce breakdown by gender	Number			25	9	34

## RESPONSIBLE EMPLOYER

### OUR WORKFORCE

ESRS / GRI	Indicator	Unit	2022	2023	2024		
			Total	Total	Male	Female	Total
<b>Training and skills development</b>							
S1-13_02 83 a AR 77 GRI 404; 404-3	Percentage of employees that participated in regular performance and career development reviews	%			44.8	25.2	39.9
S1-13_02 83 a AR 77	Number of employees that participated in regular performance and career development reviews	Number			433	82	515
S1-13_04 83 b AR 78 GRI 404; 404-1	Average number of training hours per person for employees	Number	15.89	15.12			18.39

### WORKING CONDITIONS AND HUMAN RIGHTS

ESRS / GRI	Indicator	Unit	2022	2023	2024		
			Total	Total	Male	Female	Total
<b>Work life balance</b>							
S1-15_01 93 a AR 96 - AR 97 GRI 404; 404-3	Percentage of employees entitled to take family-related leave	%	100	100	100	100	100
S1-15_01 93 a AR 96 - AR 97 GRI 404; 404-3	Number of employees entitled to take family-related leave	Number	30	28	967	325	1292
<b>Compensation metrics</b>							
S1-16_01 97 a	Total gross yearly pay of employees	Number					42 125 415
S1-16_01 97 a	Total hours worked by employees	Number					2 290 984
<b>Human rights and discrimination</b>							
S1-17_02 103 a AR 103-AR 106	Number of incidents of discrimination including harassment	Number					0
S1-17_03 103 b AR 103-AR 106 GRI 2; 2-25	Number of complaints filed through channels for people in own workforce to raise concerns	Number					1
S1-17_04 103 b AR 103-AR 106	Number of complaints filed to National Contact Points for OECD Multinational Enterprises	Number					0
S1-17_05 103 c AR 103-AR 106 GRI 2; 2-27	The total amount of fines, penalties, and compensation for damages resulting from violations and complaints	Number					0
S1-17_08 104 a AR 103-AR 106 GRI 3; 3-3	Number of severe human rights issues and incidents connected to own workforce	Number					0
S1-17_09 104 a AR 103-AR 106	Number of severe human rights issues and incidents connected to own workforce that are cases of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	Number					0
S1-17_11 104 b AR 103-AR 106	Amount of fines, penalties, and compensation for severe human rights issues and incidents connected to own workforce	EUR					0
S1-17_14 AR 106	Number of severe human rights cases where undertaking played role securing remedy for those affected	Number					0

## RESPONSIBLE EMPLOYER

### OCCUPATIONAL HEALTH AND SAFETY

ESRS / GRI	Indicator	Unit	2022	2023	2024				
			Total	Total	Male	Female	Other	Not reported	Total
S1-14 88 a AR 80 GRI 403; 403-8	Percentage of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	%		100	100	100	100		100
S1-14 88 a AR 80	Number of people in its own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines	Number		1 203	967	325			1 292
S1-14 88 a AR 81	Number of fatalities in own workforce as result of work-related injuries	Number	0	0	0	0	0	0	0
S1-14 88 b AR 82, AR 89 - AR91 GRI 403; 403-9	Number of fatalities in own workforce as result of work-related ill health	Number	0	0	0	0	0	0	0
S1-14 88 b AR 82, AR 89 - AR91 GRI 403; 403-9	Number of fatalities as result of work-related injuries and work-related ill health of other workers working on undertaking's sites	Number	0	0	0	0	0	0	0
S1-14 88 c AR 89 - AR 91	Number of recordable work-related accidents for own workforce	Number			5	0	0	0	5
S1-14 88 c AR 89 - AR 91	Rate of recordable work-related accidents for own workforce	%			100	0	0	0	2.18
S1-14 88 d GRI 403; 403-10	Number of cases of recordable work-related ill health of employees	Number			0	0	0	0	0
S1-14 88 e AR 95 GRI 403; 403-9	Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to employees	Number			245	0	0	0	245
S1-14 89 GRI 403; 403-10	Number of cases of recordable work-related ill health of non-employees	Number			0	0	0	0	0
S1-14 89 GRI 403; 403-9	Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health related to non-employees	Number			0	0	0	0	0
S1-14 90 GRI 403; 403-8	Percentage of own workforce who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party	%		100	100	100	100		100
S1-14 90	Number of employees who are covered by health and safety management system based on legal requirements and (or) recognised standards or guidelines and which has been internally audited and (or) audited or certified by external party	Number		1 203	967	325			1 292
S1-14 AR 94 GRI 403; 403-10	Number of cases of recordable work-related ill health detected among former own workforce	Number			0	0	0	0	0

## RESPONSIBLE EMPLOYER

### BUSINESS ETHICS

ESRS / GRI	Indicator	Unit	2022	2023	2024
G1-4 25 a GRI 205; 205-3	Total number of confirmed incidents of corruption or bribery	Number	0	0	0
G1-4 25 b GRI 205; 205-3	Number of confirmed incidents in which employees were dismissed or disciplined for corruption or bribery-related violations	Number	0	0	0
G1-4 25 c GRI 205; 205-3	Number of confirmed incidents involving terminated or non-renewed contracts with business partners due to corruption or bribery-related breaches	Number	0	0	0
G1-6 33 b	Percentage of payments made in accordance with standard terms	%			80



# ANNEX II: QUALITATIVE DATA

## GENERAL DISCLOSURE

ESRS	Indicators	Page in Report
BP-1_01	Basis for preparation of sustainability statement	3
BP-1_02	Scope of consolidation of consolidated sustainability statement is same as for financial statements	3
BP-1_04	Disclosure of extent to which sustainability statement covers upstream and downstream value chain	3
BP-2_03	Disclosure of definitions of medium- or long-term time horizons	3
IRO-1_01 53 a	Description of methodologies and assumptions applied in process to identify impacts, risks and opportunities	18 - 22
IRO-1_01	Disclosure of process to identify material impacts, risks and opportunities	19 - 22
IRO-1_02	Disclosure of time horizons for IROs	23 - 29
IRO-1_03	Disclosure of stakeholder engagement	22
IRO-2_01	Disclosure of outcome of materiality assessment	30
IRO-2_06	Disclosure of how performance is measured against targets	18
GOV-1_03 21 b	Information about representation of employees and other workers	9
GOV-1_04 21 c AR 5	Information about member's experience relevant to sectors, products and geographic locations of undertaking	9
GOV-1_08 22 a	Information about identity of administrative, management and supervisory bodies or individual(s) within body responsible for oversight of impacts, risks and opportunities	9
GOV-1_09 22 b AR 3	Disclosure of how body's or individuals within body responsibilities for impacts, risks and opportunities are reflected in undertaking's terms of reference, board mandates and other related policies	9-10
GOV-1_10 22 c AR 4	Description of management's role in governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities	9-10
GOV-1_11 22 c i	Description of how oversight is exercised over management-level position or committee to which management's role is delegated to	9-10
GOV-1_12 22 c ii	Information about reporting lines to administrative, management and supervisory bodies	10
GOV-1_15 23 AR 5	Disclosure of how administrative, management and supervisory bodies determine whether appropriate skills and expertise are available or will be developed to oversee sustainability matters	10
GOV-2_01 26 a	Disclosure of whether, by whom and how frequently administrative, management and supervisory bodies are informed about material impacts, risks and opportunities, implementation of due diligence, and results and effectiveness of policies, actions, metrics and targets adopted to address them	18 - 23
GOV-5_02 36 b AR 11	Description of risk assessment approach followed	18 - 23
GOV-5_03 36 c AR 11	Description of main risks identified and their mitigation strategies	18 - 23
SBM-1_01 40 a i AR 12-13	Description of significant groups of products and (or) services offered	11
SBM-1_02 40 a ii AR 12-13	Description of significant markets and (or) customer groups served	13

## GENERAL DISCLOSURE

ESRS	Indicators	Page in Report
SBM-1_08 40 c AR 12-13	List of additional significant ESRS sectors in which significant activities are developed or in which undertaking is or may be connected to material impacts	18 - 23
SBM-1_24 41	List of ESRS sectors that are significant for undertaking	30
SBM-1_25 42 AR 14	Description of business model and value chain	12
SBM-1_28 42 c AR 15	Description of main features of upstream and downstream value chain and undertakings position in value chain	12
SBM-2_01 45 a AR 16	Description of stakeholder engagement	22
SBM-2_02 45 a i AR 16	Description of key stakeholders	22
SBM-2_03 45 a ii AR 16	Description of categories of stakeholders for which engagement occurs	22
SBM-2_04 45 a iii AR 16	Description of how stakeholder engagement is organised	22
SBM-2_05 45 a iv AR 16	Description of purpose of stakeholder engagement	22
SBM-2_06 45 a v AR 16	Description of how outcome of stakeholder engagement is taken into account	18 - 23
SBM-2_07 45 b AR 16	Description of understanding of interests and views of key stakeholders as they relate to undertaking's strategy and business model	18 - 23
SBM-2_12 45 d	Description of how administrative, management and supervisory bodies are informed about views and interests of affected stakeholders with regard to sustainability-related impacts	18 - 23
SBM-3_01 48 a AR 17-18	Description of material impacts resulting from materiality assessment	23 - 29
SBM-3_02 48 a AR 17-18	Description of material risks and opportunities resulting from materiality assessment	23 - 29

## CARE FOR ENVIROMENT

### CLIMATE AND DECARBONIZATION

ESRS	Indicators	Page in Report
E1.SBM-3_01 18	Type of climate-related risk	23 - 29
E1.SBM-3_07 AR 8 b	Description of ability to adjust or adapt strategy and business model to climate change	41- 42
E1.IRO-1_01 20 a, AR 9 AR 10	Description of process in relation to impacts on climate change	15
E1.MDR-T_01-13 32	Policies in place to manage its material impacts, risks and opportunities related to climate change mitigation and adaptation	41
E1-2_01 25 AR 16-AR18 GRI 3; 3-3	Sustainability matters addressed by policy for climate change	41
E1.MDR-A_01-12 28	Actions and Resources related to climate change mitigation and adaptation	41 - 44
E1-3_01 29 a	Decarbonisation lever type	44
E1.MDR-T_01-13 32	Tracking effectiveness of policies and actions through targets	41 - 44

## CARE FOR ENVIROMENT

### CLIMATE AND DECARBONIZATION

ESRS	Indicators	Page in Report
E1-4_01 33 AR 27-AR 29 GRI 3; 3-3	Disclosure of whether and how GHG emissions reduction targets and (or) any other targets have been set to manage material climate-related impacts, risks and opportunities	41 - 44
E1-4_18 34 b	Explanation of how consistency of GHG emission reduction targets with GHG inventory boundaries has been ensured	41 - 44
E1-5_20 42	High climate impact sectors used to determine energy intensity	41 - 44
E1-5_21 43 AR 38	Disclosure of methodologies, significant assumptions and emissions factors used to calculate or measure GHG emissions	42 - 43
E1-6_27 AR 46 i	List of Scope 3 GHG emissions categories included in inventory	43
E1-6_29 AR 46 h	Disclosure of reporting boundaries considered and calculation methods for estimating Scope 3 GHG emissions	43

### AIR QUALITY

ESRS	Indicators	Page in Report
E2.IRO-1_01	Process for identifying pollution-related impacts, risks and opportunities	21
E2.IRO-1_02	Stakeholder engagement related to pollution impacts	22
E2.IRO-1_03	Outcome of materiality assessment on pollution	21
E2-1_01	Pollution-related policies covering main impacts	48
E2-1_02	Pollution policy covering air, water and soil	48
E2-1_03	Policy addressing avoiding incidents and emergency situations, and if and when they occur, controlling and limiting their impact on people and environment	48
E2-1_04	Disclosure of contextual information on relations between policies implemented and how policies contribute to EU Action Plan Towards Zero Pollution for Air, Water and Soil	48
E2-2_01	Disclosure of pollution-related targets (air, water, soil)	48

### WATER RESOURCES

ESRS	Indicators	Page in Report
E3-1_02 12a i C13	Disclosure of whether and how policy addresses the use and sourcing of water and marine resources in own operations	50
E3-1_03 12a ii C13	Disclosure of whether and how policy addresses water treatment	50
E3-1_04 12a iii C13	Disclosure of whether and how policy addresses prevention and abatement of water pollution	50
E3.IRO-1_01 8a C13	Disclosure of whether and how assets and activities have been screened for water and marine resources-related impacts, risks, opportunities	50
E3.MDR-P_01-06 11 C13	Policies to manage its material impacts, risks and opportunities related to water and marine resources	50
E3.MDR-A_01-12 17 C13	Actions and resources in relation to water and marine resources	50 - 51
E3-1_01 12a C13	Disclosure of whether and how policy addresses water management	50

## CARE FOR ENVIROMENT

### CIRCULAR ECONOMY AND WASTE MANAGEMENT

ESRS	Indicators	Page in Report
E5.IRO-1 11a AR 1 - AR 7	Process for identifying in its operations and value chain for sustainability-related impacts, risks, and opportunities, disclosing the methodologies and tools used where applicable	18 - 24
E5.IRO-1 11 b	Whether and how the undertaking has conducted consultations (resource and circular economy)	21
E5-1 14	Policies to manage its material impacts, risks and opportunities related to resource use and circular economy	45
E5-1 AR 9 a	Whether and how policy addresses waste hierarchy (prevention, preparing for re-use, recycling, other recovery, disposal)	47
E5-2 19	Actions and resources in relation to resource use and circular economy	46 - 47
E5-2 20c GRI 306; 306-2	Application of circular design	45
E5-2 20d	Application of circular business practices	45
E5-2 20e AR 13 GRI 306; 306-2	Actions taken to prevent waste generation in the undertaking's upstream and downstream value chain	46
E5-2 20f GRI 306; 306-2	Optimisation of waste management	46
E5-2 AR 11	Collective action on development of collaborations or initiatives increasing circularity of products and materials	46 - 47
E5-2 AR 12 a GRI 306; 306-2	Contribution to circular economy	45 - 47
E5-2 AR 12 b	Other stakeholders involved in collective action (resource use and circular economy)	46
E5-3 23	Tracking effectiveness of policies and actions through targets	45
E5-4 30 AR 21	Information on material resource inflows	46
E5-4 AR 22	Materials that are sourced from by-products or waste stream	47
E5-5 35 AR 26	Key products and materials that come out of the undertaking's production process	46
E5-5 38	Composition of waste	47
E5-5 38 a	Waste streams relevant to undertaking's sector or activities	47
E5-5 38 b	Materials that are present in waste	47
E5-5 AR 28 GRI 306; 306-2	Engagement in product end-of-life waste management	47
E5-6 AR 35	How time horizons are defined, financial amounts are estimated and of critical assumptions made (resource use and circular economy)	18

## RESPONSIBLE EMPLOYER

### OUR WORKFORCE

ESRS	Indicators	Page in Report
S1.SBM-3 14 AR 6 - AR7	All people in its own workforce who can be materially impacted by undertaking are included in scope of disclosure under ESRS 2	10
S1.SBM-3 14 c GRI 3; 3-3	Activities that result in positive impacts and types of employees and non-employees in its own workforce that are positively affected or could be positively affected	25 - 27
S1.SBM-3 14 d AR 44	Material risks and opportunities arising from impacts and dependencies on own workforce	25 - 27
S1.SBM-3 16 AR 9	Material risks and opportunities arising from impacts and dependencies on people in its own workforce relate to specific groups of people	25 - 27
S1-1 21 AR 12 GRI; 2 - 23	Policies are aligned with relevant internationally recognised instruments	58
S1-1 20 GRI 2; 2 - 23	Relevant human rights policy commitments relevant to own workforce	62
S1-1 20a	General approach in relation to respect for human rights including labour rights, of people in its own workforce	62
S1-1 22 GRI 3; 3-3	Policies explicitly address trafficking in human beings, forced labour or compulsory labour and child labour	62
S1-5 47 c GRI 3; 3-3	Own workforce or workforce' representatives were engaged directly in identifying lessons or improvements as result of undertakings performance	55
S1-1 24a GRI 3; 3-3	Specific policies aimed at elimination of discrimination are in place	70
S1-1 24b AR 15 - AR 16	Grounds for discrimination are specifically covered in policy	70
S1-2 27 AR 21, AR 23-24	Perspectives of own workforce inform decisions or activities aimed at managing actual and potential impacts	57
S1-2 27 a GRI 2; 2-29	Engagement occurs with own workforce or their representatives	57
S1-2 27 b AR 19 GRI 2; 2-29	Stage at which engagement occurs, type of engagement and frequency of engagement	57
S1-2 27 c AR 18 - AR 19 GRI 2; 2-12	Function and most senior role within undertaking that has operational responsibility for ensuring that engagement happens and that results inform undertaking's approach	57
S1-2 27 d AR 20	Disclosure of Global Framework Agreement or other agreements related to respect of human rights of workers	57
S1-2 27 e GRI 2; 2-29	How effectiveness of engagement with its own workforce is assessed	57
S1-2 28 GRI 2; 2-29	Steps taken to gain insight into perspectives of people in its own workforce that may be particularly vulnerable to impacts and (or) marginalised	57
S1-4 37 GRI 3; 3-3	Action plans and resources to manage its material impacts, risks, and opportunities related to its own workforce	53
S1-4 38 a AR 42 GRI 3; 3-3	Action taken, planned or underway to prevent or mitigate negative impacts on own workforce	53
S1-4 38 b GRI 3; 3-3	Action has been taken to provide or enable remedy in relation to actual material impact	53
S1-4 38 c AR 42 GRI 3; 3-3	Additional initiatives or actions with primary purpose of delivering positive impacts for own workforce	53

## RESPONSIBLE EMPLOYER

### OUR WORKFORCE

ESRS	Indicators	Page in Report
S1-4 38 d AR 38 - AR 39 GRI 3; 3-3	How effectiveness of actions and initiatives in delivering outcomes for own workforce is tracked and assessed	53
S1-5 46 AR 50-AR52 GRI 3; 3-3	Targets set to manage material impacts, risks and opportunities related to own workforce	53
S1-6 50 d ii GRI 2; 2-7	Employees numbers are reported at end of reporting period/average/other methodology	53
S1-6 50 e AR 58 GRI 2; 2-7	Contextual information necessary to understand data (employees)	53
S1-1 19 GRI 2; 2-23	Policies to manage material impacts, risks and opportunities related to own workforce, including for specific groups within workforce or all own workforce	53
S1-1 20b GRI 2; 2-23	General approach in relation to engagement with people in its own workforce	53
S1-10 69 AR 72 - AR 74 GRI 202;202-1	All employees are paid adequate wage, in line with applicable benchmarks	56

### OCCUPATIONAL HEALTH AND SAFETY

ESRS	Indicators	Page in Report
S1-1 23 GRI 403; 403-1	Workplace accident prevention policy or management system is in place	58
S1-11 74 a AR 75 GRI 401; 401-2	All employees in own workforce are covered by social protection, through public programs or through benefits offered, against loss of income due to sickness	59 - 60
S1-11 74 b AR 75	All employees in own workforce are covered by social protection, through public programs or through benefits offered, against loss of income due to unemployment starting from when own worker is working for undertaking	59 - 60
S1-11 74 c AR 75	All employees in own workforce are covered by social protection, through public programs or through benefits offered, against loss of income due to employment injury and acquired disability	59 - 60
S1-11 74 d AR 75 GRI 401; 401-2	All employees in own workforce are covered by social protection, through public programs or through benefits offered, against loss of income due to parental leave	59 - 60
S1-11 74 e AR 75 GRI 401; 401-2	All employees in own workforce are covered by social protection, through public programs or through benefits offered, against loss of income due to retirement	59 - 60
S1-11 75 GRI 401; 401-2	Disclosure of types of employees who are not covered by social protection, through public programs or through benefits offered, against loss of income due to sickness	59 - 60
S1-11 75	Disclosure of types of employees who are not covered by social protection, through public programs or through benefits offered, against loss of income due to unemployment starting from when own worker is working for undertaking	59 - 60
S1-11 75 GRI 401; 401-2	Disclosure of types of employees who are not covered by social protection, through public programs or through benefits offered, against loss of income due to maternity leave	59 - 62
S1-11 75 GRI 401; 401-2	Disclosure of types of employees who are not covered by social protection, through public programs or through benefits offered, against loss of income due to retirement	59 - 62
S1-12 AR 76	Disclosure of contextual information necessary to understand data and how data has been compiled (persons with disabilities))	59 - 62
S1-15 94	All employees are entitled to family-related leaves through social policy and (or) collective bargaining agreements	59 - 62

## RESPONSIBLE EMPLOYER

### AFFECTED COMMUNITIES

ESRS	Indicators	Page in Report
S3-2_03 21 b AR 15	Stage, type and frequency of engagement	22; 64 -66
S3-1_06 17 AR 10	Whether and how policies are aligned with relevant internationally recognised instruments	64 - 66
S3-1_05 16 c	General approach in relation to measures to provide and (or) enable remedy for human rights impacts	64 - 66
S3-1_04 16 b	General approach in relation to engagement with affected communities	64
S3-1_03 16 a	General approach in relation to respect for human rights of communities, and indigenous peoples specifically	64 - 66
S3-1_02 16	Description of relevant human rights policy commitments	64 - 66
S3.SBM-3_02 9a AR 7 GRI 413; 413 -2	Description of types of affected communities subject to material impacts	64 - 68
S3.SBM-3_01 9 AR 5 – AR 6	All affected communities who can be materially impacted by undertaking are included in scope of disclosure	64 - 68

### BUSINESS ETHICS

ESRS	Indicators	Page in Report
G1.MDR-P_01-06 7	Policies in place to manage its material impacts, risks and opportunities related to business conduct and corporate culture	70
G1-1_01 9 AR 1 GRI 2; 2-16	Description of how the undertaking establishes, develops, promotes and evaluates its corporate culture	70
G1-1_02 10a	Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of its code of conduct or similar internal rules	71
G1-1_05 10 c GRI 2; 2-26	Disclosure of safeguards for reporting irregularities including whistleblowing protection	71
G1-1_08 10 e	Undertaking is committed to investigate business conduct incidents promptly, independently and objectively	70
G1-2_02 15 a AR 2 - AR 3 GRI 3; 3-3	Description of approaches in regard to relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters	71
G1-3_01 18 a AR 5 - AR 6	Information about procedures in place to prevent, detect, and address allegations or incidents of corruption or bribery	71
G1-3_03 18 c	Information about process to report outcomes to administrative, management and supervisory bodies	71
G1-3_05 20 GRI 205; 205 - 2	Information about how policies are communicated to those for whom they are relevant (prevention and detection of corruption or bribery)	71
G1-6_02 33 b AR 16 - AR 17	Description of undertakings standard payment terms in number of days by main category of suppliers	39
G1-6_05 33 d	Disclosure of contextual information regarding payment practices	39

# ANNEX III: DISCLOSURE IN RELATION TO THE EU TAXONOMY

## Disclosure in relation to the EU Taxonomy

The Taxonomy Regulation (EU) 2020/852 (the Regulation) of the European Parliament and of the Council of 18 June 2020 provides a framework for classifying economic activities considered sustainable in relation to six environmental objectives.

- climate change mitigation;
- climate change adaptation;
- sustainable use and conservation of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- conservation and restoration of biodiversity and ecosystems.

Within the meaning of Article 3 of the Regulation, an economic activity qualifies as environmentally sustainable when:

(1) it contributes significantly to one or more of the six environmental objectives; (2) it does not cause significant harm to any of the other five environmental objectives (the DNSH framework); (3) it is carried out in accordance with minimum guarantees relating to health and social working conditions at company level (social safeguards); (4) it meets the technical verification criteria established by the Commission in accordance with Articles 10 to 15 of the Regulation.

Article 8 of the Regulation requires companies to include in their “consolidated non-financial report” in-

formation on how and to what extent the company’s activities are related to economic activities that qualify as environmentally sustainable under Articles 3 and 9 of the Regulation.

In particular, companies should disclose:

- the share of their turnover derived from products or services related to economic activities that qualify as environmentally sustainable;
- the share of their capital expenditures and operating expenses related to assets or processes related to economic activities that qualify as environmentally sustainable;

Delegated Regulation (EU) 2021/2178 of July 6, 2021, supplementing Regulation (EU) 2020/852, specifies the content and presentation of information that companies must disclose in relation to sustainable economic activities. According to the Delegated Regulation, an eligible economic activity (Eligible Activity) from the perspective of the Taxonomy is an economic activity that is described in Delegated Regulation (EU) 2021/2139 of 4 June 2021, regardless of whether that economic activity meets some or all of the technical screening criteria set out in that delegated regulation, and an ineligible economic activity is any economic activity that is not described in Delegated Regulation (EU) 2021/2139. An economic activity that complies with the taxonomy (aligned activity) is an economic activity that meets the specific criteria (set out in Article 3 of the Regulation) that economic activities must meet in order to be considered environmentally sustainable.

In accordance with Article 8 of Regulation (EU) 2020/852 establishing a framework to facilitate sustainable investment and Commission Delegated Regulation (EU) 2021/2178 supplementing the Regulation

by specifying the content and presentation of information to be disclosed by undertakings in relation to environmentally sustainable economic activities and by specifying the methodology for implementing this disclosure obligation, Alcomet AD has prepared an analysis of the company’s economic activities in order to identify which of them are eligible and ineligible for the EU Taxonomy.

This statement presents an analysis of the eligibility of Alcomet AD’s economic activities carried out in 2024. The analysis in the text below and the data in Tables 1, 2, 3, and 4 below present the company’s results for the reporting period January 1–December 31, 2024.

## Key performance indicators (KPIs)

Key performance indicators (KPIs) include:

- KPIs related to turnover
- KPIs related to capital expenditures (CapEx)
- KPIs related to operating expenses (OpEx)

In accordance with Delegated Regulation (EU) 2021/2178 on disclosure of information related to the EU taxonomy, accounting criteria have been taken into account in calculating the numerator and denominator of eligible and ineligible net turnover, CapEx, and OpEx.

- Turnover (as defined in Article 8(2)(a) of the Regulation) is the share of net turnover derived from products or services, including intangible assets, related to economic activities that qualify as environmentally sustainable (numerator), divided by the net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU.

- Capital expenditure – CapEx (in accordance with Article 8(2)(b) of the Regulation). CapEx includes the acquisition of tangible and intangible assets during the relevant financial year before depreciation, amortization, and revaluations, including those resulting from revaluations and write-downs for the relevant financial year, excluding changes in fair value. Capital expenditures reflect the following parameters: “Property, Buildings and Equipment,” “Rentals,” “Projects,” and “Other Intangible Assets.”
- Operating expenses – OpEx (in accordance with Article 8, paragraph 2, point b of the Regulation). OpEx includes non-capitalized direct expenses related to research and development, short-term leases, maintenance and repairs, as well as other direct costs related to the day-to-day maintenance of assets related to real estate, buildings and equipment by the company or a third party to which activities have been outsourced, and which are necessary to ensure the continuous and efficient operation of these assets. The definition of operating expenses for the purposes of the key performance indicator under the Taxonomy differs from the indicator defined and reported in the financial statements of Alcomet AD, which includes energy costs, employee remuneration, and other administrative expenses.

In order to calculate the share of economic activities eligible under the EU Taxonomy in net turnover, capital and operating expenses for the three key indicators, the ratio of net turnover, CapEx and OpEx considered eligible under the Taxonomy (numerator) to the total turnover, CapEx and OpEx (denominator) of Alcomet AD at the end of 2024.

## Eligibility of Alcomet AD’s activities

Alcomet AD calculated the share of its eligible and ineligible economic activities in accordance with Delegated Regulation (EU) 2021/2139 of 4 June 2021 and Delegated Regulation (EU) 2021/2178 of 6 July 2021. (Table 1).

Table 1. Percentage of eligible and ineligible economic activities according to Taxonomy in the net turnover, capital and operating expenses of Alcomet AD for 2024.

	Total for 2024 (BGN)	Share of eligible activities (%)	Share of ineligible activities (%)
Turnover	512 023 076	98%	2%
CapEx	30 646 205	100%	-
OpEx	518 512 040	99%	1%

The assessment of eligibility in relation to the Taxonomy focuses on the main economic activities for the provision of goods or services. The main activity of Alcomet AD is the production of aluminum rolled and extruded products from primary and secondary aluminum. The production of secondary aluminum is a so-called transitional activity that contributes to mitigating climate change. The process involves purchasing process waste and post-consumer waste for recycling into extruded ingots. Standard ingots and alloying metals are added to meet customer specifications.

In 2024, the company reports its production of primary and secondary aluminum products as eligible activities under the Taxonomy. The relevant activity in Delegated Regulation (EU) 2021/2178 is **Aluminum production** (taxonomy code 3.8 - in particular, the production of primary aluminium products or through the recycling of secondary aluminium). The activity is related to the first two environmental objectives: climate change mitigation, where it is defined as “Transitional,” and adaptation to climate change. In order to bring Alcomet AD’s main activity into compliance, an analysis should be carried out and compliance with the technical criteria for significant contribution and the criteria for no significant harm should be ensured, in accordance with Delegated Regulation No. 2139/2021 on climate change, specific to primary and recycled aluminum (secondary aluminum), respectively.

## KPIs, related to turnover

Delegated Regulation (EU) 2021/2178 defines the denominator of the KPI for turnover on the basis of the company’s net turnover, determined in accordance with Article 2(5) of Directive 2013/34/EU (the amounts received from the sale of products and the provision of services, after deducting trade discounts, value added tax, and other taxes directly related to turnover) and including revenues included in the scope of IFRS 15 and IFRS 16.

The results of the analysis show that 98% of the total value of the company’s net turnover for 2024 relates to economic activities eligible under the Taxonomy. These activities amount to BGN 512,023,076.12 and are related to the company’s core business of aluminum production through the processing of secondary aluminum for the manufacture of aluminum products. The total turnover, the denominator in the CPRD for turnover, covers all revenues generated by Alcomet AD from contracts with customers, as disclosed in the Consolidated Financial Statements, totaling BGN 522,073,054. The numerator for eligibility includes revenues from activities eligible under the Taxonomy described above. To determine the share of relevant turnover, the necessary analysis should be conducted to ensure compliance with the criteria for significant contribution and no significant harm. The criteria for significant contribution to the production of secondary aluminum are easy to meet. Within the scope of its activities, Alcomet AD reports that 27% of the aluminum used in production is secondary (recycled) aluminum. Alcomet AD plans to explore the possibilities for bringing the relevant activity into line with the technical criteria set out in Delegated Regulation (EU) 2021/2178 and with the objectives of the Taxonomy in 2025.

## KPIs, related to CAPEX

KPIs, related to CAPEX is defined as capital expenditures associated with Taxonomy-eligible economic activities (numerator), divided by total capital expenditures (denominator).

Delegated Regulation (EU) 2021/2178 defines total capital expenditure as including the acquisition of tangible and intangible fixed assets and investment properties during the fiscal year, before impairment, depreciation, and any additional assessments, including those resulting from revaluations and impairments, and excluding changes in fair value. They include the acquisition of property, plant, and equipment (IAS 16), intangible assets (IAS 38), right-of-use assets (IFRS 16), investment properties (IAS 40).

The analysis shows that 100% of the total value of Alcomet AD’s capital expenditures for 2024, amounting to BGN 30,646,205, relate to the main and eligible economic activities of Alcomet AD according to the Taxonomy. The investments fall under the activity of aluminum production.

### KPIs, related to OPEX

OPEX-related KPIs is defined as the taxonomy-compliant operating expenses (numerator) divided by the total operating expenses (denominator), as defined in the EU Taxonomy of Applicable Operating Expenses. Delegated Regulation (EU) 2021/2178 defines the definition of total operating expenses, which consist of direct non-capitalized costs relating to research and development, costs of repairs and renovation of buildings (used in the business and investment properties), short-term leases, maintenance and repairs, as well as any other direct costs related to the day-to-day servicing of property, plant and equipment and investment properties. Regarding the numerator, Alcomet AD considered all operating expenses, with direct costs related to payroll, training and other human resource adaptation needs excluded from the analysis. The analysis shows that 99% of the total operating costs of Alcomet AD relate to the economic activities eligible under the Taxonomy for 2024 (Aluminum Production) and amount to BGN 518,512,040.

It should be clarified that 1% of the total value of the company’s operating expenses for 2024 includes activ-

ities that are not described in the delegated regulation of the Taxonomy, therefore ineligible.

### Comparing with the previous period

	2023			2024		
	Total for 2023 (BGN)	Share of eligible activities (%)	Share of ineligible activities (%)	Total for 2024 (BGN)	Share of eligible activities (%)	Share of ineligible activities (%)
Turnover	437 319 336	36 %	64%	512 023 076	98%	2%
CapEx	27 832 619	4%	96%	30 646 206	100%	-
OpEx	2 997 188	74%	26%	518 512 040	99%	1%

In the 2024 reporting year, Alcomet AD applied a revised methodology for analyzing Taxonomy-eligible activities. While in 2023 the company adopted a more conservative approach, reporting only the production of secondary aluminum as eligible, the updated methodology reflects broader industry interpretation. For the first time, Alcomet AD classifies its main activity – aluminum production from both primary and secondary sources – as eligible. This change, along with an increased share of eligible turnover and OpEx, aligns the company’s reporting more closely with EU Taxonomy expectations. Another methodological change relates to CapEx classification: whereas in 2023 investments were reported under Category C (purchase of Taxonomy-compliant assets), in 2024 they are recognized under Category A (investments in eligible core activities). This shift enhances consistency across KPIs and supports future efforts to align with the Taxonomy’s technical screening criteria.

Table 1. Share of turnover from products or services related to economic activities in line with the taxonomy

Economic Activities (1)	Code (2)	Absolute turnover (3)	Proportion of Turnover (4)	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Taxonomy aligned proportion of total turnover, year N (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		Millions, local CCY	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>			<b>98%</b>																
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
			0%	0%	0%	0%	0%	0%	0%								0%		
			0%	0%	0%	0%	0%	0%	0%								0%		
			0%	0%	0%	0%	0%	0%	0%								0%		
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>0,00</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
<b>Manufacture of aluminium</b>		<b>512 023 076.12</b>	<b>98%</b>																
<b>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>512 023 076.12</b>	<b>98%</b>																
<b>Total (A.1+A.2)</b>		<b>512 023 076.12</b>	<b>98%</b>																
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>Turnover of Taxonomy-non-eligible activities</b>		<b>10 049 978.00</b>	<b>2%</b>																
<b>Total (A+B)</b>		<b>522 073 054.12</b>	<b>100%</b>																

\* For the purposes of this illustrative template, this figure shows the: Taxonomy-aligned turnover of the activity / Total Taxonomy eligible turnover of the activity.

\*\* Taxonomy-aligned turnover of the activity/ Total turnover of undertaking

**Legal Disclaimer**

The content of the tool does not extend or alter in any way the rights and obligations deriving from the EU legislation nor does it introduce any additional requirements on the concerned operators and competent authorities. It does not substitute the provisions under the EU Taxonomy Regulation ((EU) 2020/852) and its Delegated Acts that the undertaking should follow. The purpose of the output of the tool (Excel file) is merely to give an instructive example for some undertakings on how to implement the relevant legal provisions. It cannot be excluded that the Excel Sheet does not include all information that an undertaking may need to report under the EU Taxonomy Regulation ((EU) 2020/852). It should be noted that the current template does not yet refer to the updated reporting templates included in Annex V to Delegated Regulation (EU) 2023/2486 ('Environmental Delegated Act'), which amends Delegated Regulation (EU) 2021/2178.

For more information on the qualitative reporting requirements under the EU Taxonomy, please refer to Delegated Regulation (EU) 2021/2178 ('Disclosures Delegated Act').

Table 2. Share of capital expenditure (CapEx) from products or services related to taxonomy-compliant economic activities

Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)	
				Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)					
		Millions, local CCY	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>				<b>100%</b>																
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>																				
			0%	0%	0%	0%	0%	0%	0%								0%			
			0%	0%	0%	0%	0%	0%	0%								0%			
			0%	0%	0%	0%	0%	0%	0%								0%			
<b>CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>0.00</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)</b>																				
<b>Manufacture of aluminium</b>		<b>30 646 205.64</b>	<b>100%</b>																	
			<b>0%</b>																	
<b>CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>30 646 205.64</b>	<b>100%</b>																	
<b>Total (A.1+A.2)</b>		<b>30 646 205.64</b>	<b>100%</b>																	
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																				
<b>Capex of Taxonomy-non-eligible activities</b>			<b>0%</b>																	
<b>Total (A+B)</b>		<b>30 646 205.64</b>	<b>100%</b>																	

\* For the purposes of this illustrative template, this figure shows the: Taxonomy-aligned turnover of the activity / Total Taxonomy eligible turnover of the activity.

\*\* Taxonomy-aligned CapEx of the activity/ Total CapEx of undertaking

**Legal Disclaimer**

The content of the tool does not extend or alter in any way the rights and obligations deriving from the EU legislation nor does it introduce any additional requirements on the concerned operators and competent authorities. It does not substitute the provisions under the EU Taxonomy Regulation ((EU) 2020/852) and its Delegated Acts that the undertaking should follow. The purpose of the output of the tool (Excel file) is merely to give an instructive example for some undertakings on how to implement the relevant legal provisions. It cannot be excluded that the Excel Sheet does not include all information that an undertaking may need to report under the EU Taxonomy Regulation ((EU) 2020/852). It should be noted that the current template does not yet refer to the updated reporting templates included in Annex V to Delegated Regulation (EU) 2023/2486 ('Environmental Delegated Act'), which amends Delegated Regulation (EU) 2021/2178.

For more information on the qualitative reporting requirements under the EU Taxonomy, please refer to Delegated Regulation (EU) 2021/2178 ('Disclosures Delegated Act').

Table 3. Share of operating expenses (OpEx) from products or services related to taxonomy-compliant economic activities

Economic Activities (1)	Code (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards (17)	Taxonomy aligned proportion of total OpEx, year N (18)**	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate Change Mitigation (5)*	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)				
		Millions, local CCY	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>				<b>99%</b>															
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																			
			0%	0%	0%	0%	0%	0%	0%								0%		
			0%	0%	0%	0%	0%	0%	0%								0%		
			0%	0%	0%	0%	0%	0%	0%								0%		
<b>OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>0.00</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>Y</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
<b>Manufacture of aluminium</b>		<b>518 512 040.75</b>	<b>99%</b>																
<b>OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>518 512 040.75</b>	<b>99%</b>																
<b>Total (A.1+A.2)</b>		<b>518 512 040.75</b>	<b>99%</b>																
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
<b>OpEx of Taxonomy-non-eligible activities</b>		<b>3 053 522.00</b>	<b>1%</b>																
<b>Total (A+B)</b>		<b>521 565 562.75</b>	<b>100%</b>																

\* For the purposes of this illustrative template, this figure shows the: Taxonomy-aligned turnover of the activity / Total Taxonomy eligible turnover of the activity.

\*\* Taxonomy-aligned OpEx of the activity/ Total OpEx of undertaking

**Legal Disclaimer**

The content of the tool does not extend or alter in any way the rights and obligations deriving from the EU legislation nor does it introduce any additional requirements on the concerned operators and competent authorities. It does not substitute the provisions under the EU Taxonomy Regulation ((EU) 2020/852) and its Delegated Acts that the undertaking should follow. The purpose of the output of the tool (Excel file) is merely to give an instructive example for some undertakings on how to implement the relevant legal provisions. It cannot be excluded that the Excel Sheet does not include all information that an undertaking may need to report under the EU Taxonomy Regulation ((EU) 2020/852). It should be noted that the current template does not yet refer to the updated reporting templates included in Annex V to Delegated Regulation (EU) 2023/2486 ('Environmental Delegated Act'), which amends Delegated Regulation (EU) 2021/2178.

For more information on the qualitative reporting requirements under the EU Taxonomy, please refer to Delegated Regulation (EU) 2021/2178 ('Disclosures Delegated Act').

**Alcomet AD**

Address: Second Industrial Zone, 9700 Shumen, Bulgaria

e-mail: [office@alcomet.eu](mailto:office@alcomet.eu)

Telephone: +35954858601