

CoP 2023

Sustainable Development
Report



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Message from the Chairman

2024 marks the end of a pivotal year in the implementation of our sustainable development policy, with the following major advances:

- EcoVadis awarded us GOLD status with a score of 78/100, putting us in the top 2% of companies in terms of CSR performance
- SBTi has validated our 2030 low-carbon trajectory compatible with 1.5°C, taking into account our absolute emission reduction commitments on scopes 1, 2 and 3
- The Group has implemented a bank and bond refinancing process that incorporates CSR indicators

This year we have also seen an increase in our clients' interest in upgrading their products to alloys offering better overall environmental performance (high recycling rate, weight reduction, eco-design, elimination of lead and beryllium, etc.).

LBA's raison d'être, 'Consolidate and amplify expertise in the production and recycling of mainly copper and nickel-based metal alloys to provide a responsible response to the technical and environmental challenges faced by user industries', has therefore been further strengthened by all these developments.

Within the Group, this is reflected in the implementation of a 'B.R.O.N.Z.E' sustainable development policy, based on six key pillars:



Lastly, the Group reaffirms its commitment to the ten principles of the United Nations Global Compact, which cover human rights, fundamental labour rights, environmental protection and the fight against corruption. More specifically, we continue to implement actions to meet 11 sustainable development objectives, which are detailed in this report.

Michel Dumont,
LBA SAS Chairman



About the company

Lebronze alloys SAS (LBA)

1 / FIELD OF ACTIVITY

Lebronze alloys SAS is a world leader in the processing and recycling of high-performance copper- and nickel-based alloys.

As an integrated producer, we have a wide range of alloys, shapes and metallurgical properties that are used in high added-value niche applications.

From alloy melting to finished, customised products



2 / KEY FIGURES

6 PRODUCTION SITES	+200 ALLOYS PRODUCED
€239M SALES	750 EMPLOYEES
	4 SERVICE CENTRES

3 / GROUP SITES AND SERVICE CENTRES

Since 2020, the Group has been optimising its organisation to focus each site on its core businesses. This new structure is part of a drive to reduce greenhouse gas emissions, since it reduces flows between sites and optimises the energy performance of the fleet.

Our four service centres in France, the UK, Asia and the USA, complemented by a network of distributor partners, enable us to implement a local distribution strategy that ensures local service and greater responsiveness to our clients' needs.

BU's	FOUNDRIES	PARTS & FINISHING	SERVICE CENTRES
Bars & Design	Suippes Bars and tubes > 20 mm Coils / electrodes Upcycling	Breteuil Forging and machining	Aldridge UK Service Centre
		Rydzyňa Machining	Bristol USA Service centre
Rolled products and ARCAP®	Bornel Flat products < 20 mm Bars, wires and speciality profiles	Dongguan Finishing lamination Forging and machining	Hong Kong Asia Service Centre
			Breteuil Europe Service Centre
Rods and wires	Lüdenscheid Wires, bars, profiles < 20 mm		

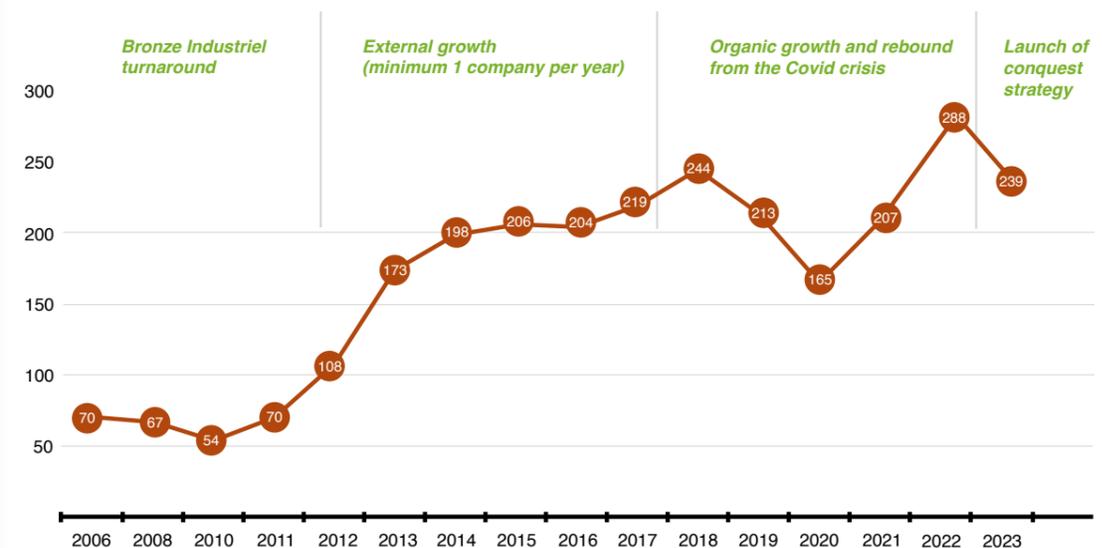
4 / A UNIQUE GROWTH STRATEGY

In 15 years, the Group has tripled its sales thanks to organic growth driven by innovation and external growth.

Acquisitions have enabled us to consolidate our know-how in metallurgy by retaining local skills and developing them through the sharing of experience across multiple sites.

Following the successful implementation of the Rebound plan over the period 2020-2022, it was decided in 2023 to launch a 'Conquest' strategy focused on high value-added products and the development of service centres to strengthen our position as world leader.

Group sales evolution (€ million)



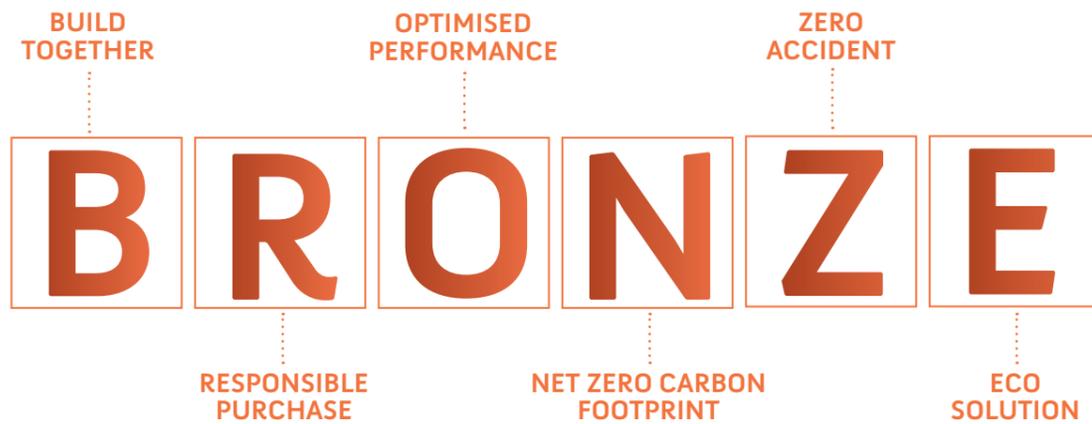
LBA's sustainable development policy

Striking the right balance between economic performance, social impact and environmental impact is essential to the sustainability of a company.

This balance within the Group is structured around six 'BRONZE' pillars.

Each pillar is broken down into actions and indicators that enable LBA to be part of a dynamic of continuous progress, with the aim of having a positive long-term impact within its ecosystem.

1 / SIX 'BRONZE' PILLARS AT THE HEART OF OUR SUSTAINABLE DEVELOPMENT POLICY



Build together: This pillar covers social initiatives that have a positive impact on gender, sex and age equality, as well as projects that improve well-being in the workplace.

Responsible purchase: Purchases account for more than 50% of the Group's sales, so it is vital to implement a responsible purchase policy and to tighten up our requirements with regard to our suppliers.

Optimised performance: The company's economic, industrial and environmental performance is key to meeting the expectations of our relevant stakeholders.

Net zero carbon footprint: Given the major challenge of decarbonation, we have decided to make this a specific pillar and to build an ambitious trajectory for reducing our emissions.

Zero accidents: Our transformation processes require constant vigilance. We are taking action to anticipate and minimise the risk of accidents.

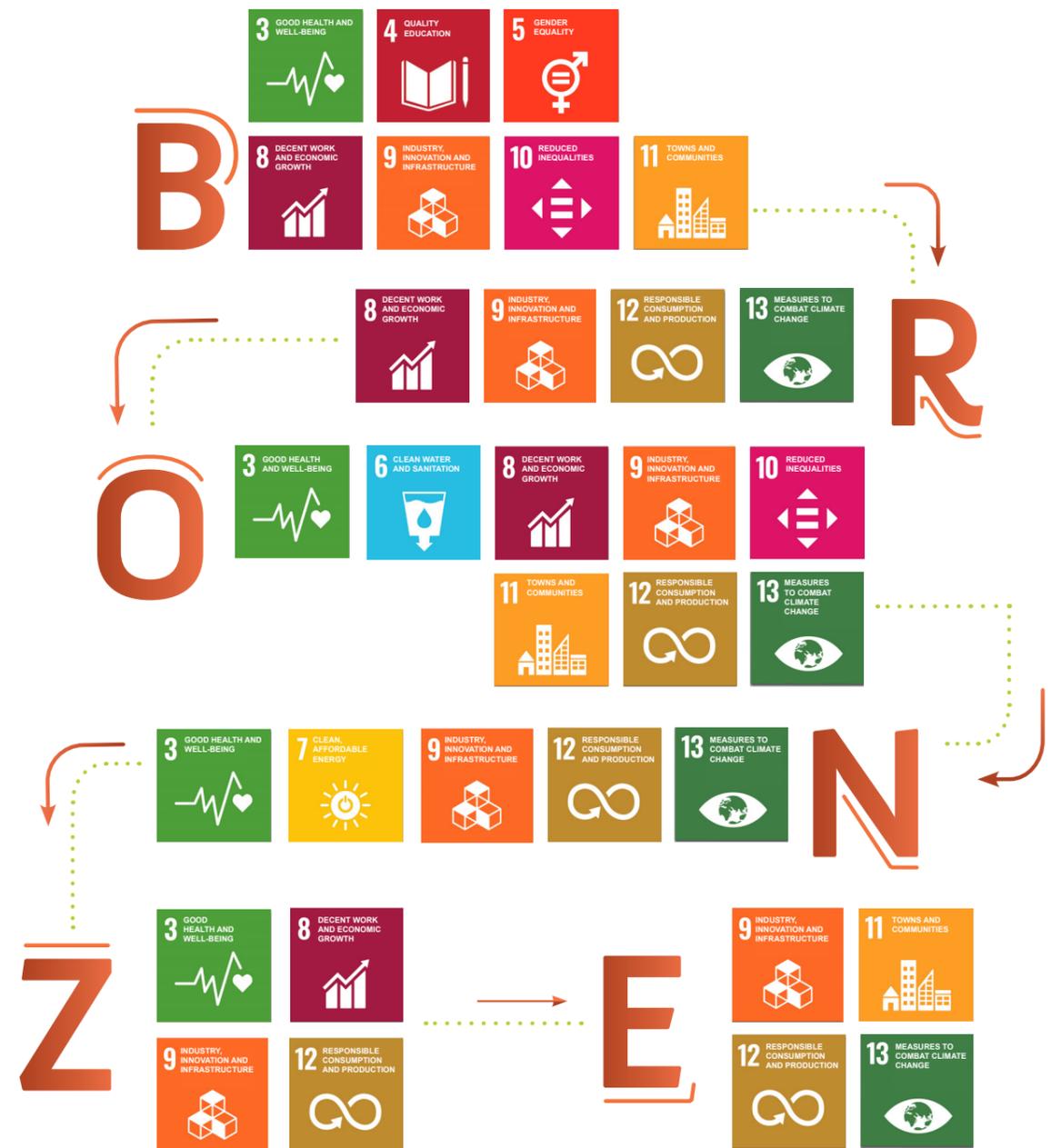
Eco solution: By working in collaboration with our clients and bringing innovations to the market, we are contributing to a more sustainable approach by improving the life cycle of products.

2 / THE SUSTAINABLE DEVELOPMENT GOALS CHOSEN BY LBA

Adopted in 2015 by 193 countries at the United Nations following the Millennium Development Goals (MDGs), the Sustainable Development Goals (SDGs) aim to eradicate poverty, protect the planet, ensure prosperity for all and enable women, children and men around the world to live in dignity by 2030.

LBA can contribute to the success of the SDGs by actively participating in the Global Compact and ensuring that its sustainable development policy is consistent with the targets set out in the SDGs.

As a metal industry, we believe we can make a positive contribution to **11 of the 17 existing SDGs** under our six pillars.



3 / A SPECIFIC ORGANISATION AND GOVERNANCE STRUCTURE

To ensure that the Group's sustainable development strategy is properly defined and taken into account by all its departments, LBA has set up a specific governance structure, embodied by the IMPACT Committee.

The IMPACT Committee comprises:



Chairman
Michel Dumont



Managing Director
Alexandra Dumont Nubery



Director of Strategy and Development.
Chairman of the Supervisory Board
Didier Pitot



Sustainable Performance Director
Alice Briot



Managing Director of the Group's Holding Company
Carole Dumont



Head of compliance
Alice de Jouffroy

The objectives of this committee, which meets once every six months, are as follows:

- Defining and structuring the Group's sustainable development policy.
- Understanding the changing requirements of relevant stakeholders and building a path to meet them.
- Analysing progress, defining targets and taking corrective action if targets are not met.
- Deciding on the provision of resources to achieve objectives.
- Meeting the requirements of the Corporate Sustainability Reporting Directive.

The major decisions taken by the IMPACT Committee are then presented to the CSR Committee and translated into site roadmaps under the supervision of the Sustainable Performance Department.

The **CSR Committee** is a monthly operational committee whose aim is to roll out the BRONZE strategy across all departments and achieve the objectives set by the IMPACT Committee.

The **Sustainable Performance Department**, created in 2022, is responsible for coordinating these two committees and implementing the CSR strategy at operational level. The management team also includes all the Quality Management System teams, in order to use certification as a lever for improvement and recognition of our efforts in terms of sustainable development.

Moreover, the alignment between performance and sustainability is also reflected in the COMEX remuneration policy, since CSR KPIs are defined as criteria for awarding variable remuneration.

Since 2024, every manager has been offered at least one CSR objective during their personal interview.

4 / SHARING AND PROMOTING OUR SUCCESS

As part of our sustainable development approach, we are convinced of the value of having our efforts recognised by various certification bodies, and also of the importance of sharing our feedback with other manufacturers.

To achieve this, LBA has chosen two major levers:

- A rating lever: we have our sustainable development policy assessed by EcoVadis once every two years to measure the progress we have made
- Be a 'pathfinder' member of BPI France's Coq Vert community to share your experiences and discuss environmental issues with other managers

The EcoVadis evaluation method is based on seven founding principles:

- Assessment by CSR experts
- Adaptation of the questionnaire to the sector of activity, country and size of the company
- Diversification of sources to guarantee the reliability of ratings
- Use of technology to ensure a secure, confidential and rapid process
- Traceability and transparency of documents supplied
- Evidence-based analysis
- Excellence for continuous improvement

EcoVadis rating

Since its creation in 2007, EcoVadis has become the largest sustainability and corporate social responsibility (CSR) rating organisation, creating a global network of more than 130,000 rated companies.

After winning bronze in 2019 and silver in 2022, **the Group was awarded the gold medal in 2024 with an excellent score of 78/100**, placing it in the top 2% of companies assessed by EcoVadis.



Score breakdown

Sustainability performance: Insufficient (red), Partial (orange), Good (yellow-green), Advanced (green), Outstanding (dark green). Average score (black line).



Our environmental score of 90/100, well above the industry average, demonstrates the quality of the Group's environmental commitment.

LBA member of the Coq Vert Community

LBA has been admitted to the #CoqVert Community launched by Bpifrance in partnership with ADEME and the French Ministry of Ecological Transition.

The Coq Vert Community represents more than 2,500 entrepreneurs committed to the climate throughout the territory.

In recognition of our level of maturity, we have been appointed a 'pathfinder' in 2022 by BPI management. The 150 pathfinder leaders are 'exemplary members of the Coq Vert Community who have already begun their transition. They play an active role in disseminating Community values in their environment'.

“ WE NEED TO GET THE WHOLE ECOSYSTEM MOVING. ”

Managing Director of Lebronze alloys, a company specialising in copper and nickel metallurgy, Alexandra Dumont Nubery is a driving force behind the acceleration of EET. Her company of 750 employees is stepping up its efforts to limit its carbon emissions.

HOW AND WHY DID YOU BECOME PART OF THE COQ VERT COMMUNITY?

We became a Coq Vert in 2021, after completing an Eco-Flux Diag. This was our first step towards a more structured approach. Driven by the energy crisis of 2022, we have accelerated our climate strategy. We also became Pathfinders. It may be a question of generation, but I'm convinced that businesses have a key role to play in reducing carbon emissions worldwide. This conviction has led to a number of actions: the Eco-Flux Diag, an initial full carbon assessment and an "ACT step-by-step" approach, carried out as we go along, to identify all the levers we can activate to reduce our emissions.

WHAT WOULD YOU SAY TO COMPANIES INTERESTED IN JOINING THE COQ VERT COMMUNITY?

I'm pleasantly surprised to meet such committed leaders. It's not always easy to find transparent networks. It's also a very powerful accelerator. I've even encouraged people I know to join this community. We need to get the whole ecosystem moving.

ARE YOU USING TECHNOLOGY TO LIMIT YOUR ENVIRONMENTAL IMPACT?

Following the Eco-Flux Diag, we realised that we were doing a very poor job of measuring our consumption per machine. One of the first actions we took was to install eco-consumption sensors on all our machines, so that we could target them more effectively, act accordingly and plan ahead. We have also discontinued processes that consume a lot of water, with the aim of reducing our consumption by 60% by 2030. We're now already at 40%!



ALEXANDRA DUMONT NUBERY
LEBRONZE ALLOYS, GRAND EST

Recognition of our commitments by our partners: a source of collective pride

The Group's good CSR performance is regularly recognised and valued by our partners (financiers, clients, local authorities or organisations, etc.) through awards or requests

for testimonials. These are always important events that encourage us to keep moving forward.

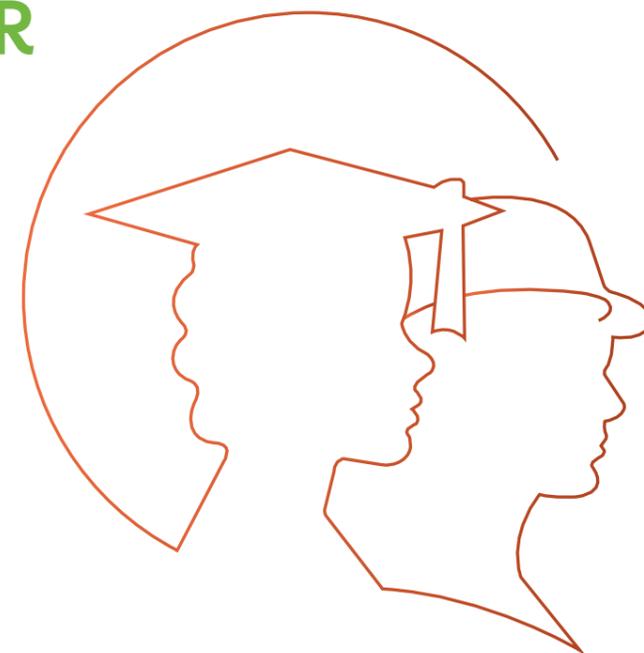


BUILD TOGETHER

At LBA, we produce 'exceptional metallurgy'. This is the result of the extraordinary know-how of all our employees. Our human resources policies ensure that we continually develop the skills of our employees while respecting all individuals, whatever their origins or beliefs.

In operational terms, this pillar is broken down into six major actions:

- 1) Combating discrimination
- 2) Promoting industrial know-how
- 3) Sharing added value with all employees
- 4) Encouraging internal innovation and a spirit of intrapreneurship
- 5) Taking action in communities



- 6) Working together to protect our intellectual capital and that of our clients and partners

1 / COMBATING DISCRIMINATION

The Lebronze alloys Group is committed to respecting the conventions and regulations in force, and to honouring the Universal Declaration of Human Rights (UDHR). As an equal opportunities employer, the Group considers cultural and ethnic diversity to be an asset, and in fact rejects any consideration of nationality, gender or religious beliefs.

- The number of employees returning from maternity leave with a pay rise
- Parity among the 10 highest earners

With a **score of 79/100 in 2023**, the Company's index is higher than the expected standard of 75 and is improving compared with 2022.

In 2021, in France, a **three-year agreement** has been negotiated with three trade unions present in the company, **promoting equal access to rights**. Commitments have been made in the following areas:

- Balancing work and family responsibilities
- Conditions for returning to work after parental or maternity/paternity/adoption leave
- Training leading to qualifications or skills development
- Exceptional pay measures to ensure equal pay for men and women

Gender equality

At the beginning of 2024, women accounted for 20% of all LBA France employees and 30% of managers and similar staff.

In 2023, the rate of recruitment of female staff on permanent contracts for managerial and similar positions was 29%.

In France, a **professional equality index** based on five indicators is calculated every year to take account of:

- The gender pay gap
- The difference in the distribution of individual increases
- The disparity in the distribution of promotions

Raising our employees' awareness of discrimination issues

Our commitment to diversity is an essential aspect of our sustainable development policy. By recognising and valuing individual differences, we create an inclusive working environment that encourages innovation and team cohesion.

Aware that these issues are not always easy to grasp, General Management has introduced a diversity awareness plan. Firstly, in January 2024, all managers took part in virtual reality training on the theme of racial discrimination, disability and gender equality.



Integration of people with disabilities

LBA France adapts workstations to maintain the employment of disabled employees. At the beginning of 2024, 23 employees in France were recognised as disabled workers.

In addition, we occasionally and indirectly employ disabled people via establishments and services providing assistance through work (Ésat) (supplies, maintenance of green spaces, packaging, etc.).

Trade union representation to reduce inequalities and improve working conditions

Lebronze alloys SAS has a central Social and Economic Committee and three local Social and Economic Committees, made up of 25 employee representatives.

Governance thus makes it possible to deal with issues concerning the smooth running of the company, its financial health and its social data report, as well as local issues (safety, individual and collective demands, etc.). LBA France also has three trade unions, enabling it to negotiate agreements on a wide range of issues (mandatory annual negotiations, gender equality, etc.).

Internal promotions

The Group favours internal promotions when there are vacancies, and only recruits externally when it is impossible to find an internal candidate to support in a particular job.

Policy towards young people and future talent

Promoting work-linked training is a priority in our HR strategy. In 2023, this policy resulted in 25 work-study contracts in France, representing more than 5% of the workforce. For several years now, we have taken on more than 50% of our apprentices after their work-study period.

'CIFRE' agreements are also regularly signed with young doctoral students. We also take on between 20 and 30 trainees a year from a wide range of schools and professions.



Work-study students from our Suippes site accompanied by their mentors

2 / PROMOTING INDUSTRIAL KNOW-HOW

People at the heart of our industrial know-how:

In 2023, **LBA France devoted more than 4% (1% being the mandatory minimum) of its payroll to external or internal training.**

Our aim is to ensure that everyone can develop their existing skills and acquire new ones, so that they can carry out their jobs in the best possible way and guarantee the employability of our employees.

Forward-looking management of the workforce and anticipation of departures are

essential to the long-term future of the company's activities, given the large number of in-house professions. Over the last few years, LBA France has recruited around ten young employees to fill 'single-skill', high-risk positions in expert fields.

We have forged close partnerships with schools and universities in the regions where our industrial sites are located, at levels ranging from vocational high school diploma to 5 years' higher education. These enable us to receive a regular flow of students, but also to develop training programmes for subjects specific to our businesses.

Lastly, we pay particular attention to identifying Talent within our Group to support them in their professional development, either in their business line or in management or executive functions, by promoting internal mobility.

Maintaining employee employability

'Multi-skills' grids exist in each workshop, making it possible to monitor the development of skills and training provided or to be provided for each employee, from the moment he or she joins LBA and throughout his or her career.

The role of mentors is key to this process, and is enhanced by the gradual introduction of a 'companionship' bonus and participation in examination jury panels.

More generally, every year all employees are entitled not only to an individual interview to review the past year and set objectives for the coming year, but also to a professional interview to discuss their career development and training needs.

In France, the completion rate for these interviews has exceeded 90% for the last 2 campaigns covering the years 2022 and 2023. Since this year, we have been proposing that a specific CSR objective be set on the interview form. One of our priorities in 2024 is to develop this system within our subsidiaries abroad.

3 / SHARING ADDED VALUE WITH ALL EMPLOYEES

LBA has a number of features that help to motivate and share value.

Employee share ownership

As part of our ongoing commitment to corporate social responsibility, LBA France has launched a new employee share ownership campaign enabling employees under French employment contracts to become shareholders through an FCPE.

To make it easier for employees to buy shares, the company offers several incentives: matching contributions and discounts.

By the end of 2023, **more than half the employees** concerned had become **shareholders**.

Profit-sharing

Profit-sharing is a legal mechanism for receiving a share of the company's profits. Employees can choose to place the sum in a blocked account for five years, or to receive it immediately. It therefore contributes to the realisation of personal projects financed by the company's economic success.

4 / ENCOURAGING A SPIRIT OF INTRAPRENEURSHIP

With more than 50 corporate projects opened in 2023 (investment projects, R&D projects, IT projects, etc.), the Group has developed a methodology that encourages a spirit of initiative and the ability of teams to follow projects in an autonomous but structured way to make the company more efficient.

This methodology is based on a 'PLR' (Project Launch Request) which aims to structure the project at a very early stage by drawing up

specifications, a risk analysis and an assessment of the financial stakes, and which also considers the impact on each of our six BRONZE pillars.

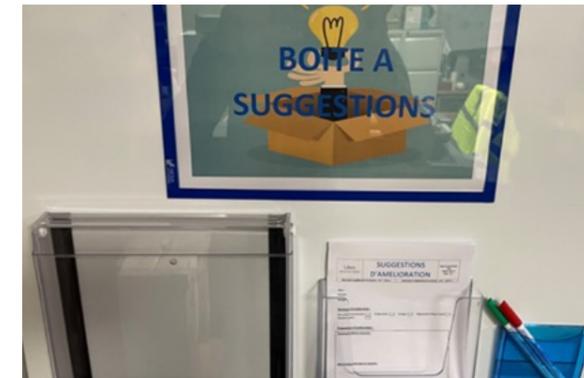
Every year, around 50% of the workforce in France (excluding direct production staff) takes part in at least one project. LBA believes that this ability to lead projects is a decisive asset in its organic growth. Regular monitoring of time spent and costs is carried out through capitalised production.

% Employees France (excluding direct)	2021	2022	2023
Employees who took part in a project	58%	50%	47%

We also encourage employees to take initiatives and take responsibility for their actions, by setting personal annual objectives, organising professional seminars and running suggestion boxes.

For example, at our German site in Lüdenscheid, all employees are invited to reflect on a specific issue once a quarter during the 'Suggestion days'.

The best proposals and the most committed staff are rewarded.



5 / TAKING ACTION IN COMMUNITIES

The vast majority of employees at our industrial sites come from the region in which they work or from nearby areas.

Acting locally

The Group's sites have been rooted in their local areas for decades and have developed relationships with the local ecosystem: administration, catering, hotels, schools, associations, etc.

Lebronze alloys intends to strengthen its internal community management and support local initiatives over the next few years by structuring certain initiatives more systematically.

We are already carrying out actions such as:

- Open days for schools and high schools in our regions
- Sponsorship of local associations or sporting events
- Sponsorship for associations or local schools
- Involvement in a number of local networks that promote business-to-business exchanges, such as Marne Développement



Signing of the Arts et Métiers sponsorship agreement - September 2023



Visit from students at the Ecole Supérieure de Fonderie et de Forge (ESFF)

Metallurgy: a community in its own right

We are members of several federations, including:

- **UIMM:** The Union des Industries et Métiers de la Métallurgie is the French employers' federation representing France's leading metalworking companies.
- **A3M:** Alliance des Minerais, Minéraux et Métaux.
- **Fédération Forge Fonderie:** The French trade body for companies that shape metals by forging, casting, additive manufacturing and associated machining.
- **Verband Deutscher Metallhändler:** The association of German metal traders represents the interests of non-ferrous metal traders and recyclers.
- **GIFAS:** Representative body for the French aerospace industry.
- **ALTYTUD:** Aeronautics cluster in the Hauts-de-France region.
- **GICAT:** French Land and Air Defence and Security Industries Group.

- **MIDLANDS AEROSPACE ALLIANCE:** Alliance representing the UK aerospace industry.
- **AEROSPACE VALLEY:** Competitiveness cluster for the aerospace industry in the Occitanie/Pyrénées-Méditerranée and Nouvelle-Aquitaine regions.

The community of intermediate-sized companies: companies with an impact

LBA is a member of several associations that seek to highlight the importance of intermediate-sized companies (companies with between 250 and 4,999 employees) in the economy and their contribution to employment and investment in the regions, such as:

- **METI:** The Mouvement des entreprises de taille intermédiaire is the trade union for intermediate-sized companies.
- **ETI Grand-Est:** Network for the heads of the region's intermediate-sized companies to exchange ideas and structure local dynamics.
- **BPI EXCELLENCE:** A group of companies monitored by BPI and recognised for their performance and growth potential.

6 / WORKING TOGETHER TO PROTECT OUR INTELLECTUAL CAPITAL AND THAT OF OUR CLIENTS AND PARTNERS

With know-how handed down through several generations and an R&D budget in excess of €2.9m a year, the **Group has a wealth of intellectual capital that needs to be developed and, above all, protected.**

To achieve this, the Group has put in place a strict policy to protect its intellectual capital in a number of ways:

- Raising awareness among all staff by signing a **Code of Ethics and Conduct** and an **IT Charter**, which set out the best practices to be implemented to reduce the risk of confidential data being lost or leaked. Depending on the staff, contractual commitments not to disseminate Group data have also been put in place
- The systematic signing of **NDA's (Non-Disclosure Agreements)** as part of any consultation or new contractual relationship to guarantee the confidentiality of information, sensitive or strategic data relating to LBA, our clients or our partners.
- **Protecting our innovations** through the widespread use of Soleau envelopes, a policy of patent registration and industrial secrecy

- Strict supervision of visits to our sites, with safety measures adapted to each workshop

In view of the increasing digitalisation of information and the arrival of artificial intelligence (AI), our IT security has been significantly strengthened over the last five years and has been the subject of significant investment:

- Complete separation of industrial and administrative networks to secure our production tools and know-how
- Centralisation of data in a new data centre and discontinuation of local servers
- Managing server risks by implementing a hardware, software and organisational disaster recovery plan

In 2023, a one-day remote cybersecurity training course was offered to all employees with a professional e-mail address, with a completion rate of 94%.



RESPONSIBLE PURCHASE



In 2023, inputs (excluding transport) accounted for 63% of the Group's greenhouse gas emissions.

Given the financial and environmental stakes involved, particularly in the purchase of raw materials, it is essential to have a purchasing policy that complies with strict ethical and environmental criteria.

To achieve this, LBA is working on a responsible purchase approach that incorporates environmental and societal criteria in addition to the more traditional requirements of price, quality and service.

Between 2022 and 2023, the EcoVadis LBA score on the 'Sustainable Procurement' pillar rose from 50/100 to 60/100, reflecting all the work carried out over this period.

The 'Responsible purchase' pillar is reflected in five priorities for continued progress:

- Incorporating CSR as a selection criterion in purchasing strategy
- Encouraging suppliers to comply with environmental criteria
- Raising awareness among employees, and particularly buyers and suppliers, of the need to behave ethically in all circumstances
- Encouraging the purchase of metals from the recycling sector
- Prioritising local purchases to boost local development and reducing the carbon footprint associated with transport

1 / INTEGRATING CSR INTO OUR PURCHASING STRATEGIES

Between 2022 and 2024, the entire Purchasing department was trained in sustainable purchasing by an external organisation. **Social and environmental criteria are integrated into several stages of the purchasing process:**

- When defining the purchasing strategy (e.g. implementation of a Group purchasing policy for company cars that prohibits the purchase of combustion-powered cars)
- When selecting the panel of suppliers to consult, we attach importance to criteria such as geographical proximity, whether our suppliers

have ISO certifications, their CSR commitments, etc.

- When drawing up the specifications, the teams assess the impact of the purchase in terms of risks or opportunities from a sustainable perspective (impact on energy savings, environmental risks, life cycle, improvements in working conditions, safety, etc.)
- Once the bids have been received, an analysis of the Total Cost of Ownership (TCO) and the complete life cycle of a product is incorporated as a differentiating criterion

- At the contractual stage, by including clauses incorporating sustainability criteria in model contracts and General Purchasing Conditions
- Finally, after the purchase, we continue to create a relationship of partnership and trust by reporting our CSR needs and requirements in order to create a virtuous dynamic of progress throughout the value chain of our products

In 2023, LBA took part in the 'SourCCIng Durable' course with the CCI Grand Est, ADEME, the Grand Est region and nine other companies from the Grand Est region.



The programme ran for a year, with the aim of supporting and leading the implementation of actions designed to step up the commitment of companies in the region to the energy and ecological transition.

To maintain the momentum of our responsible purchase approach:

- LBA is a member of the Club Achats Durables Entreprises of the CCI Grand Est, which organises several workshops a year.
- Since 2024, an LBA Responsible Purchase Committee has met quarterly.

Sustainable SourCCIng journey 2023



2 / RAISING AWARENESS AMONG OUR SUPPLIERS

Suppliers play an important role in the implementation of our sustainable development policy, as they have a particular impact on the 'Responsible Purchase' and 'Net Zero Carbon Footprint' pillars.

To this end, **LBA is asking its suppliers to make CSR commitments, and a new indicator was rolled out in 2023 to measure this commitment.**

Supplier Code of Conduct

Several years ago, the Group drew up a 'Supplier Code of Conduct', reflecting its desire to involve its entire value chain in taking greater account of sustainable development issues, and to get everyone moving together.

The Code of Conduct sets out five categories of requirements for our suppliers:

- Respect for human rights and working conditions
- Taking into account the environmental impact of activities

- Taking account of regulatory requirements concerning products
- Ethical business practice
- Supplier commitment

34% of the Group's TOP 50 suppliers have returned the signed Code of Conduct. The Purchasing department will carry out a reminder operation to improve this result.

LBA is also a signatory of the 'Responsible Purchase and Supplier Relations Charter (RFAR)' steered by the French Business Ombudsman and the National Purchasing Council (CNA).

The 10 commitments of the Charter

The 10 commitments of the Supplier Relations and Responsible Purchase Charter:

- ▶ Ensuring a financially responsible relationship with suppliers
- ▶ Maintaining a respectful relationship with all suppliers, conducive to the development of collaborative relationships
- ▶ Identifying and managing situations of reciprocal dependence with suppliers
- ▶ Involving signatory organisations in their sector
- ▶ Assessing all life cycle costs and impacts
- ▶ Integrating environmental and social responsibility issues
- ▶ Ensuring the territorial responsibility of its organisation
- ▶ The professionalism and ethics of the purchasing function
- ▶ A purchasing function responsible for overall management of supplier relations
- ▶ A 'supplier relations' mediator, responsible for smoothing internal and external communications within the company

Charter RESPONSIBLE SUPPLIER RELATIONS

Measuring the CSR commitment of our suppliers

Of the Group's top 50 suppliers in the raw materials, subcontracting and transport purchasing families, 40% are committed to a CSR approach in 2023.

We consider that a supplier is committed to CSR when it meets at least one of the following three criteria:

- CSR label (eg: B Corp, Lucie, Engagé RSE...), EcoVadis rating
- ISO 14001/50001/45001 certification
- CSR policy, established codes of conduct

We aim to improve this indicator so that we can increase the ratio for the Group's top 100 suppliers, with a minimum target of 50% by 2030.

To achieve this, the Purchasing department has also introduced a questionnaire to measure the CSR maturity of suppliers since 2024. The aim is firstly to explain our approach, but also to encourage suppliers to adopt a more responsible approach by supporting them if necessary.

Raising awareness of the importance of emission factors

Buyers are raising awareness among their suppliers by requesting emission factors for the products they buy and including them in their purchasing criteria.

Suppliers who are able to provide evidence of their carbon emissions are highlighted during

the annual supplier evaluation carried out by the Purchasing department. These results are communicated to the supplier (the score is shown on all the supplier's orders).

3 / RAISING EMPLOYEE AWARENESS

Business ethics

An internal 'Code of Ethics and Conduct' appended to the internal regulations serves as a reference to guide employees and to combat corruption.

It comprises seven main themes:

- LBA's commitment to respect national and international laws and standards and human rights

- LBA's commitment to its employees
- LBA's commitment to business ethics and zero tolerance of all forms of corruption
- LBA's commitment to building relationships of trust with its stakeholders
- LBA's commitment to respecting and protecting the environment

- LBA's commitment to enhancing the value of the Group's assets
- Implementation of the Ethics Charter

An internal alert system has been set up and communicated to employees along with the Code of Ethics and Conduct.

Delegation of powers

Each year, a verification is carried out on banking powers and delegations of authority and signature for purchase orders. **An electronic signature has also been introduced in the Group ERP** to ensure consistency between the amounts entered in the delegations and the purchasing capacity. This signature also makes it possible to electronically trace who recorded and signed the order.

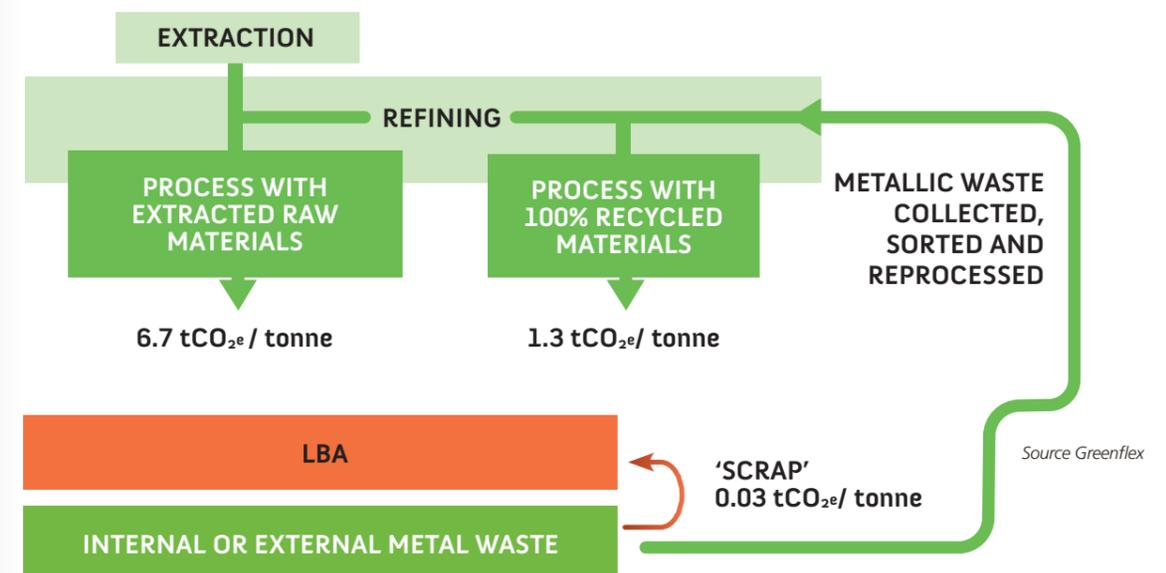
4 / ENCOURAGING THE PURCHASE OF RECYCLED METALS

Copper can be recycled ad infinitum with no loss of performance, while retaining all its properties.

Purchasing pre-composed alloys from recycling enables LBA to reduce its carbon footprint by:

- Avoiding the purchase of 'primary' metals from mines
- Avoiding separation of the alloy into primary metals during recycling, offering additional energy savings

Copper recycling and extraction process



Using an alloy rather than new metal from the mines reduces the GHG emissions associated with the metal input by a factor of 200.

To supply and use copper and nickel alloys produced by recycling, LBA has developed specific recycling know-how based on:

- Foundry recipes regularly revised by the technical departments to ensure perfect quality while introducing recycled metals as 'standard' products

- Buyers specialised in the sourcing of recycled metals, who guarantee compliance with our quality and traceability requirements

- The deployment of an Upcycling workshop (Suippes), which enables secondary foundry materials to be recycled internally and used as a source of raw materials, as well as increasing our capacity to source recycled metals internally or externally. This innovation is detailed in the ECO-SOLUTION pillar

With all these levers at our disposal, we are aiming to **purchase 80% of recycled metals by 2025, and 85% by 2030**, even if some of our clients' applications require the use of primary

metals, which could lead to a change in the rate depending on the product mix.

	2021	2022	2023
% Purchases of recycled metals	76%	72%	70%

In 2023, the product mix at one of our main sites caused this indicator to fall, while the other production sites are at a satisfactory level.

5 / BUYING LOCALLY

Our responsible purchase policy also means that we buy as many of our needs as possible from suppliers located close to our factories, in order to:

- Promote responsiveness
- Develop jobs in our regions
- Reduce the carbon footprint associated with the transport of our supplies
- Be able to maintain relationships based on trust, facilitated by a close working relationship

However, taking into account certain purchasing specifications, it may happen that only foreign suppliers have the capacity to meet our needs, particularly for the supply of raw materials.

If we take out the purchase of metals and subcontracting, we arrive at the very good score of over 90% of purchases made in France for the 3rd consecutive year for the supply of our French factories.

% Local purchases (excluding metals)	2021	2022	2023
France and neighbouring countries	95%	95%	94%
Rest of the world	5%	5%	6%

OPTIMISED PERFORMANCE



The performance of an industrial group can be judged by a number of criteria. At LBA, we regularly monitor the following key criteria:

- Financial performance: EBITDA, cash flow, net profit
- Client performance: registrations, OTD, quality rate, complaints monitoring
- Industrial performance: productivity, OEE, space optimisation

- Environmental performance: electricity, gas and water consumption, waste management, etc.

- Project performance: on time, on budget, on target...

In this part of the report, we focus on three themes: financial performance, industrial performance and environmental performance.

1 / FINANCIAL PERFORMANCE IN SUPPORT OF SUSTAINABILITY

Over the years, we have developed a culture of transparency regarding the Group's financial performance, in particular by explaining the concept of EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) to all our staff, and by valuing the gross margin produced rather than the volume processed on a daily basis at our sites.

This transparency is reflected in structured communication:

- A daily display in the workshops of the gross margin achieved
- A monthly analysis by site of the variance from budget on several financial KPIs, presented to the site management committee and consolidated for the Executive Committee
- A quarterly Finance Committee open to all our funders

- A half-yearly management seminar to present the results, set out the strategic vision, communicate the main components of the budget for year N+1 and the CSR report....
- Regular communication to employees on the company's situation through various bodies: annual communication on results and budget, social and economic committee, works council, information memo, etc.

The year's budgetary objectives are defined using a methodology specific to LBA, which ensures the reliability of its projections, with a growth dynamic that is deliberately demanding in order to always aim for progress and excellence.

Excluding the Covid crisis, EBITDA has always grown by more than 10% a year since the Group was formed in 2011.

In 2023: new financing linked to ESG criteria

In July 2023, the Lebronze alloys group succeeded in refinancing its debt thanks to the support of its shareholders, banking partners and debt funds. A noteworthy aspect of this financing is its indexation to ESG criteria, demonstrating the LBA Group's commitment to minimising its environmental impact by 2030.

These criteria offer the Group the opportunity to align financial objectives with sustainable practices and enable investors and lenders to

measure and assess progress each year against a 2030 trajectory based on four criteria:

- Reduction of Scopes 1 and 2 emissions along an SBTi-compatible trajectory
- Reduction of scope 3 emissions along an SBTi-compatible trajectory
- Reduction of water consumption
- Reduction of the frequency of work-related accidents

2 / INDUSTRIAL PERFORMANCE

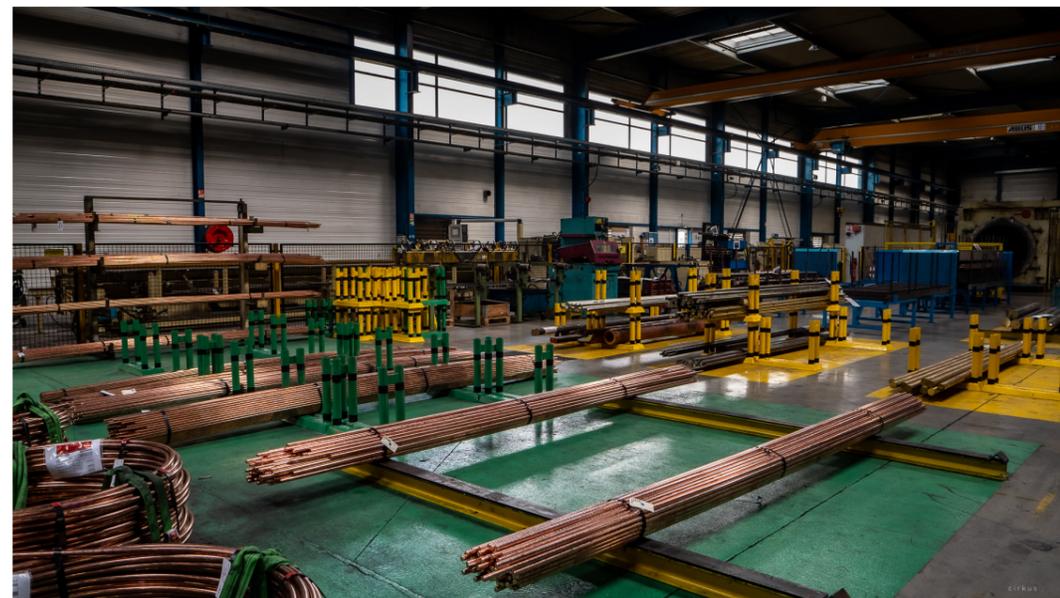
Investment in industrial performance

By investing over 15 million euros a year for the past 10 years, the Group continues to modernise its industrial facilities, offering greater capacity, greater safety, greater energy savings and higher productivity.

Our industrial productivity is measured by the 'Gross margin / Direct labour hour' indicator.

In 2023, this ratio was 11% higher than in 2022, following a significant increase of more than 50% in 2022, as a result of our efforts to refocus on our core business as an exceptional metallurgist.

In addition to the strategic and pricing decisions that have improved this ratio, this progress has also been achieved thanks to the involvement of the team leaders, who analyse the performance of their workshops on a daily basis, the various 'Lean management' tools that have been implemented in the workshops to help them progress, and the departmental meetings that enable any problems to be raised.



Lebronze alloys Suippes production site

Impact in our territories

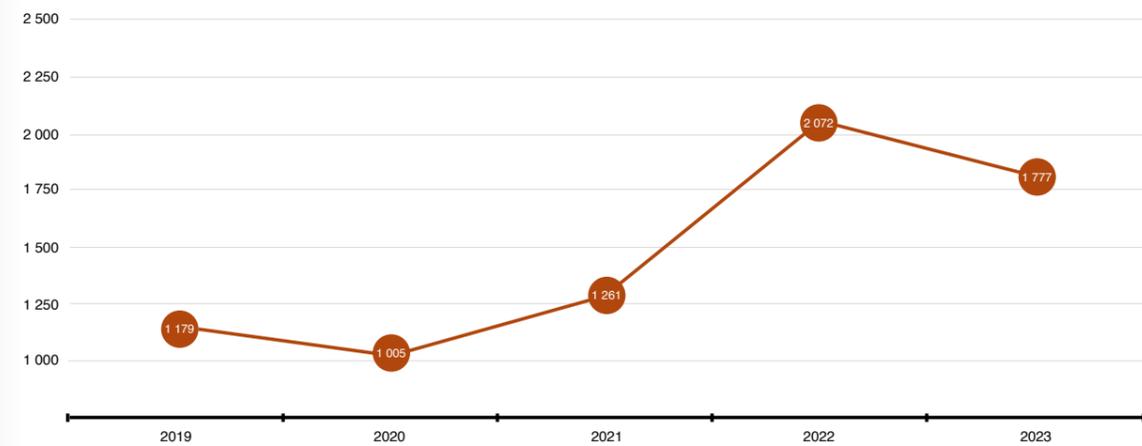
The Rebound plan, implemented between 2020 and 2022, has enabled us to consolidate our activities, resulting in a sharp reduction in our greenhouse gas emissions and the shutdown of some underperforming equipment, as well as a reduction in transport between sites.

This refocusing also gives local authorities the opportunity to **rethink land-use planning in their municipalities by rehabilitating freed-up industrial sites.**

The Sélestat site was sold at the beginning of 2023 to the Tournesols institution, which employs disabled workers and people returning to work.

To monitor the performance of our impact in the territories, we use the 'Sales/m²' KPI, and aim to double it between 2019 and 2025, taking into account the actions carried out over this period.

Change in sales (€)/ m²



3 / IMPROVING THE ENVIRONMENTAL PERFORMANCE OF OUR SITES

Aware of the environmental constraints associated with its industrial activities, LBA is committed to preserving resources, reducing its impact on the environment and promoting recycling.

In the EcoVadis 2024 assessment, we achieved an excellent score of 90/100 in this area (higher than the average score of 50/100 for companies in our sector), thanks to the various levers described below.

- One site is EN 9100 certified (Suippes)
- We are targeting initial ISO 45001 certification for the Bornel site in 2024, with the aim of extending this certification to the rest of our production sites in France by 2027

Reducing energy consumption

Reducing energy consumption is a major focus of the Group's sustainability plan. The first radical change in our consumption profile was achieved between 2018 and 2021, when **we reduced our overall consumption by more than 30%.**

Between 2021 and 2023, further significant progress has been made, with a reduction in our overall electricity consumption of 26% and gas consumption of 58%.

Certification of our sites

- All our European sites are ISO 9001 certified.
- Two sites are ISO 14001 certified (Breteuil, Rydzyna) with the aim of qualifying Suippes in 2024
- The Lüdenscheid site has been ISO 50001 certified for several years, the Suippes site was the first French site to be certified in June 2023, and we are aiming to have all our French sites certified by the end of 2024

A number of initiatives have been implemented to achieve these results:

- The creation of the 'Net zero carbon footprint' pillar to structure all actions dedicated to reducing our carbon emissions
- The creation of an 'Industrial Strategy and Decarbonation' committee bringing together the Executive Committee and the Technical Departments on a monthly basis, with the aim of monitoring consumption and the progress of site action plans
- The involvement of the central Quality System teams in supporting the roll-out of ISO 50001

Reducing water consumption

In early 2023, the French government introduced a 2030 'water plan' aimed at reducing water consumption by 10% by 2030. Faced with the ever-increasing risk of drought, an action plan for resilient and concerted water management has been launched. It includes 53 measures to provide a better response to the challenges of limiting use and ensuring the availability and quality of water resources.

Within LBA, actions can be grouped around three main themes:

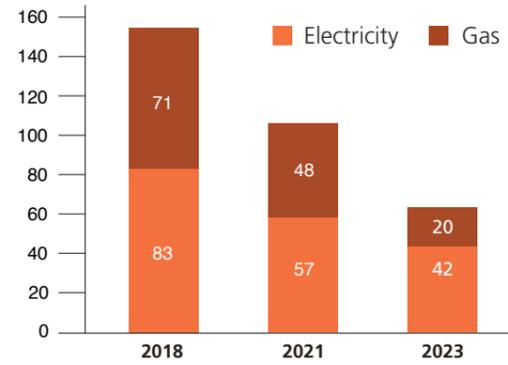
- Measuring our consumption more accurately
- Reducing consumption
- Optimising the quality of wastewater and increasing its use to replace new extractions

✓ Evaluating consumption

Each site monitors its water consumption (tap water and groundwater extractions), and there are wide variations in consumption depending on the age of the site and its facilities.

Following the completion of an Eco-Flux diagnostic in 2021 for all sites in France, it has been recommended that the number of water meters on the sites that consume the most water be increased in order to identify usage more accurately. Initial steps have been taken, notably in Bornel, with the installation of remotely-read meters.

Group energy consumption between 2018 and 2023 (GWh)



At the beginning of 2023, two anomalies were identified and quickly dealt with thanks to the analysis of these meters, encouraging their deployment on the other sites.

✓ Reducing consumption

Lebronze alloys has high ambitions for its water reduction trajectory, with a target of 60% by 2030.

Between 2022 and 2023, a major reduction has been achieved by transferring activity from the historic Suippes 1 site to the Suippes 2 site. The Suippes 1 site was a major water consumer, so this transfer will radically change the consumption profile by moving activities to a modern plant, designed with a closed-circuit cooling system.

Investments are also being made to reduce equipment consumption. One example is the change in technology for cooling the heat treatment furnaces at Bornel, which is being upgraded to incorporate a recycling loop and halve water consumption. In 2024, investments will be made to replace hydraulic units and maintain the water network.

	2022	2023
Water consumption (Km³)	846	262
% Decrease (vs 2022)		-69%

In 2024, studies will also be carried out to analyse how to recover rainwater and use this resource for self-consumption.

Thanks to the major changes introduced in 2023, the Group has managed to fall below its 2030 target, and is now aiming for continuous improvement over the coming years.

✓ Optimising the quality of wastewater and increasing its use to replace new extractions

Infrastructure is in place to enable wastewater to be recycled. The guiding principle is the decentralisation of industrial water treatment by process: each process is managed in a closed circuit with regard to its consumption of industrial water, so it does not pollute the neighbouring process. This allows the loop treatment for each process to be optimised. Each process is then purged as required for treatment in a plant (internal or external, depending on the site).

Measures are also implemented to treat and reduce pollutants discharged into the water, the principle being to dispose of purge water in such a way as to be able to treat the flow on average and never the maximum flow: this improves environmental performance and reduces the risk of incidents linked to sudden increases in flow.

At Bornel, various modifications to the detoxification plant have resulted in a significant reduction in metal discharges between 2023 and 2024 (a 3-fold reduction in the case of copper).



Reducing our waste and increasing sorting

We have been sorting all our industrial waste for many years. They are disposed of by approved treatment centres. Investments in new production processes and measures to reduce emissions at source have enabled us to reduce the quantities of hazardous substances produced.

Since 2018, we have been consolidating this information in a summary table tracking the cost of waste treatment by site. The volume of waste recovered at French sites is also monitored.

A number of initiatives have been implemented in recent years to improve waste management and reduce waste (dematerialisation of the traceability of hazardous waste, use of washable PPE, solution for cleaning up cigarette butts, specific sorting procedures, etc.).

The roll-out of ISO 14001 to new sites will also enable us to boost our continuous improvement approach in this area.

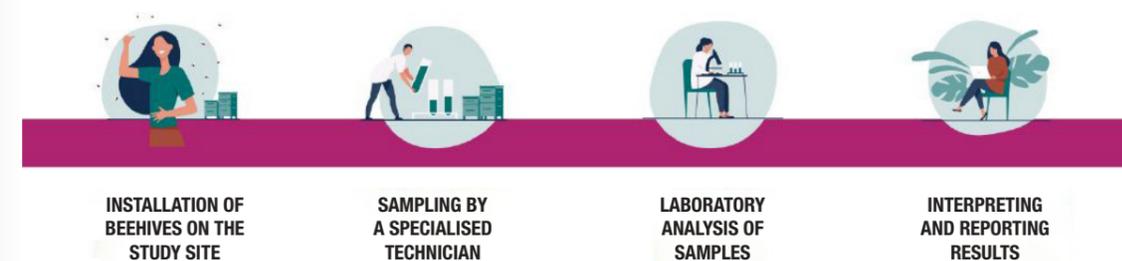
Monitoring air quality

Lebronze alloys SAS monitors and complies with legally defined values for dust and greenhouse gas emissions.

On the one hand, as part of the operating permits for each site, these emissions are subject to periodic reporting to the DREAL (Regional Directorates for the Environment, Planning and Housing).

Thanks to major investments, we have also been able to improve our fume and dust collection and filtration facilities. In 2024, a major investment has been approved to change the suction system in the spinning workshop at the Suippes site.

We also carry out an annual bio-monitoring campaign on the Suippes site, thanks to the beehives installed there. The 2023 campaign showed that there was no trace metal contamination on the site, with normal concentrations for the various metals tested.



Taking biodiversity into account

The impact of business activities on biodiversity encompasses both the impacts associated with business infrastructures and sites, and the impacts associated with the life cycle of products (extraction, production, transport, use, end of life).

In addition to actions carried out as part of regulatory compliance, we have structured four main actions at the Suippes site, which serves as a pilot for the Group:

- Introduction of eco-pasturing, which has a positive social and environmental impact
- Deployment of beehives to support pollinating insects, carry out biomonitoring of air quality by analysing the bees' fur, and also make it possible to offer responsible corporate gifts
- Raising awareness of the importance of biodiversity among our employees and visitors
- Planting of areas around the plant



Honey-harvesting workshop at the Suippes site

In 2024, LBA began thinking about adapting to climate change by carrying out a **ClimaDiag expert assessment** of the Suippes site, as proposed by the CCI Grand Est. This diagnosis highlights the main physical risks for an industrial site in relation to climate change, thanks to modelling by Météo France. An action plan has also been defined for 2024-2025 to reduce the risks.

To take this further, from 2025 onwards, we will be working with an external consultancy to carry out a study to inventory and assess our direct and indirect impacts in terms of biodiversity and to determine whether additional actions can be taken.

NET ZERO CARBON FOOTPRINT



Decarbonising our industry is now a societal requirement which is reflected in the high expectations of all our relevant stakeholders (clients, employees, financiers, etc.) but which also opens up tremendous opportunities for progress and differentiation.

To meet this challenge, the Group has defined its **low-carbon trajectory for 2030**, which should make it possible to reduce the Group's greenhouse gas emissions in line with **SBTi objectives aligned with a maximum increase in global warming of 1.5°C**.

The Group is structuring itself to meet the **targets set by the Paris Agreement** and the European Fit for 55 law, which aims to reduce greenhouse gas emissions in the EU by 55% compared with 1990 levels by 2030.

1 / DEFINING OUR LOW-CARBON PATH

Lebronze alloys **carried out its first full carbon assessment in 2022** for the year 2021, at Group level.

On the strength of these results, the Group has decided to follow **the ACT step-by-step approach developed by ADEME** at the beginning of 2023. This approach enables companies to develop their low-carbon strategy in five stages:



Through this approach, the Group has been able to define **decarbonation trajectories for 2030, in line with the objectives of the Paris Agreements**, and then confirm, by modelling a macro-action plan involving the sites and central departments (Purchasing, HR, Transport, Sustainable Performance), that the objectives are achievable.

These objectives, which include the Group's growth targets, are as follows:

- **50% absolute reduction in scopes 1 & 2 emissions between 2018 and 2030**
- **25% absolute reduction in scope 3 emissions between 2021 and 2030**

LBA then submitted these Near Term targets to the Science Based Targets initiative (SBTi), which validated them in March 2024.

The Group has drawn up annual action plans by site and by division to meet its low-carbon target for 2030.

To keep pace with this trend, Lebronze alloys now carries out an annual carbon audit. In 2024, LBA opted for a digital tool called SWEEP, which reduces calculation time, makes the footprint more reliable and ensures that the footprint is traceable.

To ensure the reliability of its 2021 baseline carbon footprint, LBA has also committed in late 2023 to having the footprint verified by an independent third-party organisation.

WE'VE HAD OUR SCIENCE-BASED TARGET APPROVED



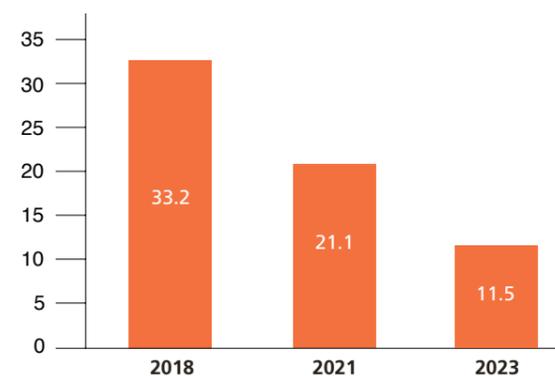
2 / SCOPES 1 AND 2: REDUCING OUR EMISSIONS BY 50% BETWEEN 2018 AND 2030

In 2023, scopes 1, 2 and 3.3 accounted for 20% of LBA's carbon footprint.

The Group's energy consumption has been reduced by almost 60% between 2018 and 2023, thanks to two high-impact initiatives:

- Refocusing activity between 2020 and 2022: closure or transfer of activities to sites with better energy performance
- The implementation of energy action plans led by the technical departments, monitored by an Industrial Strategy and Decarbonisation Committee

Change in energy carbon footprint (kTCO2e) Scopes 1, 2 and 3.3



Examples of projects that are helping to reduce consumption include the following:

- Implementation of metering plans at all sites (2022/2023)
- Recovering waste heat from our hot transformation facilities in Germany, to replace gas in the heating of buildings
- Advice on reducing winter heating
- Optimising weekend consumption
- Optimising production rates on hot processes, to minimise downtime
- Deployment of heat pumps to replace the majority of gas-fired heating systems (2023)
- Systematisation of LED lighting (2023/2024)

In order to meet the 2030 targets, the Group must continue to make progress. To achieve this, new projects have been identified and are being rolled out or studied in a number of areas:

- ➔ Electrify gas uses that can be electrified
- ➔ Improving the energy performance of gas-fired equipment
- ➔ Managing energy performance using an energy management system (ISO 50001) to be rolled out across all sites
- ➔ Use green energy, for self-consumption or through supply contracts

To support this ambitious programme, the LBA Executive Committee has decided to dedicate a significant proportion of the CAPEX budget to decarbonisation investments over the next five years.

3 / SCOPE 3: REDUCING OUR EMISSIONS BY 25% BETWEEN 2021 AND 2030

Scope 3 (excluding 3.3) accounts for 80% of Lebronze alloys' carbon footprint in 2023.

Inputs

With regard to raw material inputs, which account for over 60% of the impact of goods and services purchases (item 3.1), the Purchasing Department has already launched the following initiatives:

- Increasing the proportion of recycled metals in the purchasing mix
- Involving suppliers in our decarbonation process, and introducing a criterion for choosing suppliers based on their CSR approach
- Increasing the activity of the Upcycling workshop
- Increasing scrap recovery of the Group's alloys from clients

For other inputs, the purchasing teams, as for metals, involve suppliers in our decarbonation approach, and introduce a criterion for choosing suppliers based on their approach.

Freight

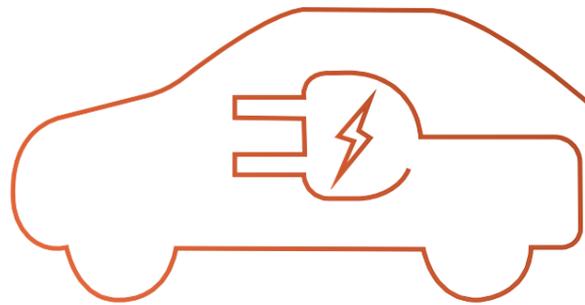
For freight, which accounted for 4% of the carbon footprint in 2023, limiting air transport has already had a significant impact compared with our reference year of 2021. Other initiatives are underway:

- Optimising distances and tonnages: pooling transport
- The choice of certified service providers (eg: CO₂ target) and helping to decarbonise road transport through the use of alternative energies (biofuel, biogas, etc.)

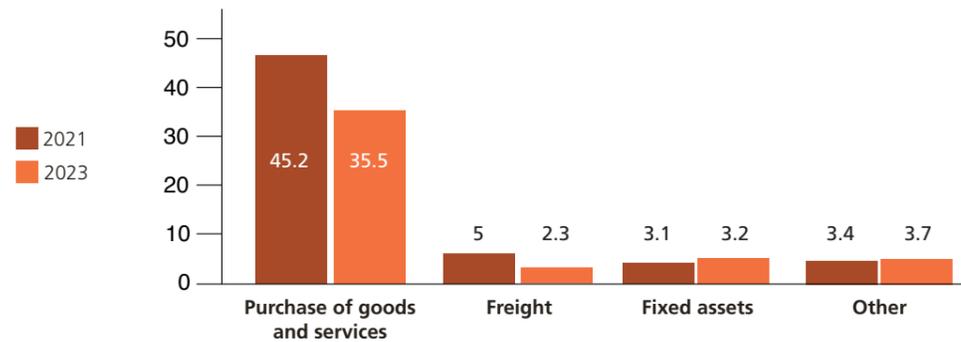
Travel

In 2023, travels account for 3% of LBA's carbon footprint. There are several ways of reducing the carbon footprint associated with travel:

- All our employees can use electric cars to visit our sites, with free recharging. An increase in the number of charging points is planned to keep pace with the growth of the fleet
- In 2022, the 'company vehicle' policy was revised to require the purchase of a rechargeable hydride or 100% electric vehicle for all new purchases. From 2025, only 100% electric vehicles will be authorised for purchase
- Introduction of a work-from-home policy in 2021 and roll-out of videoconferencing
- When travelling on business, employees are encouraged to systematically use the train rather than the plane whenever possible



Scope 3 carbon footprint evolution (excluding 3.3) (KTCO2e)



4 / FROM A GROUP VISION TO THE PRODUCT: ECO-DESIGN INDICATORS

The carbon footprint gives a company-wide view, but does not allow a more detailed analysis of our products.

That's why, to meet our eco-design challenges and those of our clients, we have decided to deploy the calculation of two indicators: **recycled content** and **life cycle analysis**.

Recycled content

In addition to overall monitoring of purchases, the Group also aims to be able to inform its clients of the proportion of recycled material in the finished product they buy.

Based on the framework and definitions of ISO 14021 'Environmental labels and declarations - Self-declared environmental claims' and NF EN 45557 'General method for assessing the recycled content of energy-related products', and thanks to

the level of traceability available in our ERPs, in 2024 we began to roll out the calculation of recycled content for alloys produced in our French foundries.

By the end of 2025, LBA will continue to deploy this calculation across its product portfolio, thanks to the joint work of several departments, and will therefore be able to:

- Meet client expectations
- Better understand the differences between its various products
- Prioritise actions to optimise the circularity of its products

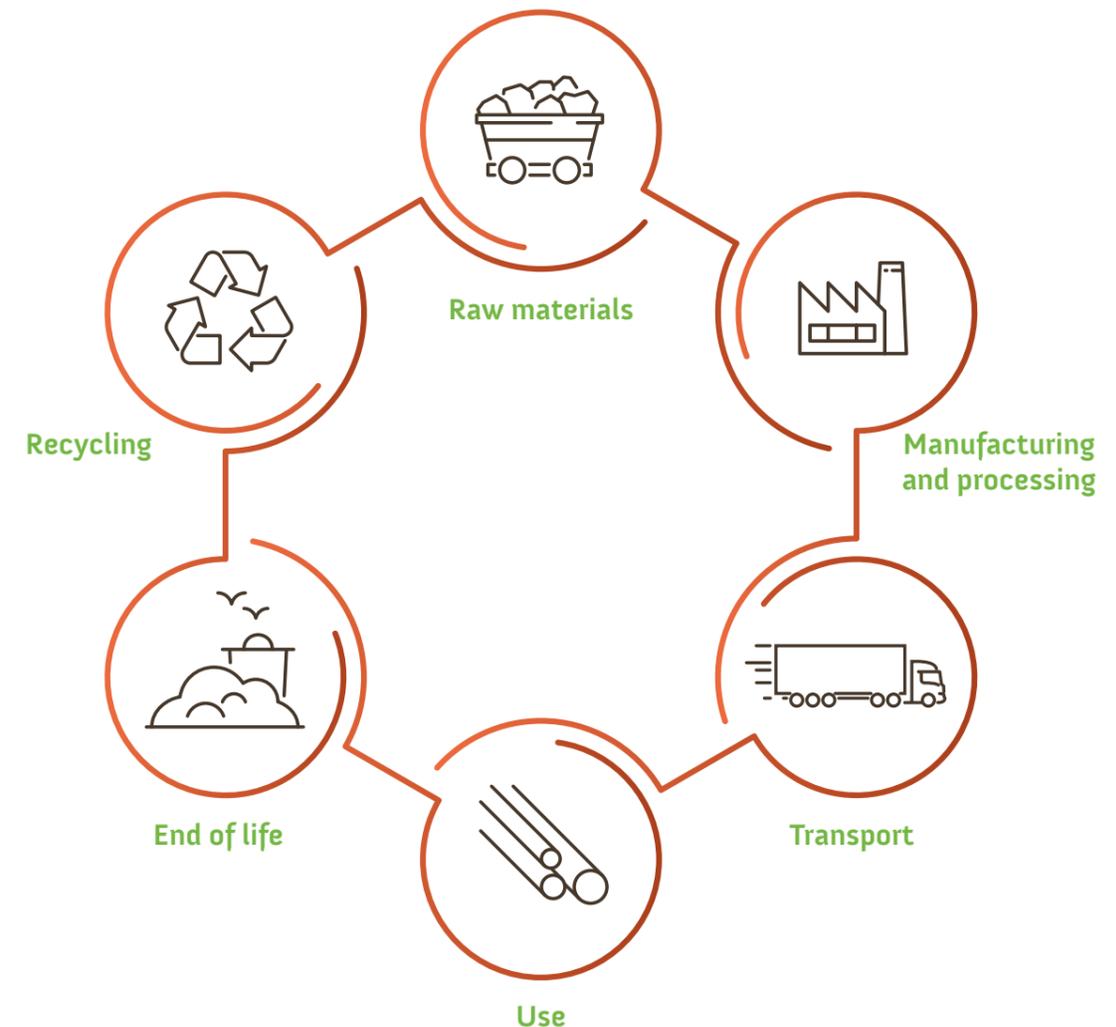
Life cycle analysis:

A life cycle assessment (LCA) evaluates the environmental impact of a product across the entire value chain. It is described in two standards:

- ISO 14040 'Environmental management - Life cycle assessment - Principles and framework'
- ISO 14044 'Environmental management - Life cycle assessment - Requirements and guidelines'

In October 2023, the Impact Committee asked for a pilot LCA to be carried out on a family of LBA products, involving teams from several departments and supported by specialist consultants to ensure that the methodology was properly applied.

Relying on the results of this 'cradle-to-gate' LCA, LBA can target the priority impacts and work on the eco-design of this product family, as well as rolling out this tool to other strategic products in the Group.



ZERO ACCIDENT



Given the Company's field of activity, we pay constant attention to preventing occupational risks and protecting the health and safety of our employees.

Accident performance varies from one production site to another. The lost-time accident frequency rate is still too high, despite the significant progress made by each plant over the last 10 years.

To strengthen the momentum for progress and accelerate our ability to move towards zero accidents, a target trajectory has been defined with an annual reduction target and a minimum target of 40% reduction in FR1 between 2022 and 2030.

This objective is accompanied by an ambitious action plan structured around three major areas:

- Monitoring, analysing and reporting on frequency and severity rates
- Taking action and investing to improve accident prevention
- Implementing a safety culture through ISO 45001 certification (Occupational Health and Safety Management Systems).

We are also convinced that the physical and psychological well-being of our employees also depends on healthy teams. A number of actions are being taken in this respect.

1 / TWO KEY INDICATORS: FREQUENCY RATE AND SEVERITY RATE

Accidents in the workplace receive very close attention, and are monitored by site management in conjunction with the Group's HSE coordinator, using the frequency rate and severity rate indicators:

The **frequency rate** (FR1) is defined as the number of lost-time accidents multiplied by one million, divided by the total number of hours worked.

The **severity rate** (SR) is defined as the number of days lost due to an accident at work multiplied by a thousand, divided by the total number of hours worked.

Following a deterioration in the frequency rate indicator for France at the start of 2023, management has decided to step up training and prevention initiatives from the end of 2023 and throughout 2024.

2 / ACTING AND INVESTING TO REDUCE ACCIDENTS AND THEIR SEVERITY

At the beginning of 2024, the Group drew up **10 golden rules for health and safety at work**, which serve as a guide for our day-to-day actions.

To ensure that all our employees adopt and apply these rules, we are deploying training and communication initiatives as well as investments to raise our level of prevention.



Awareness-raising, training and communication initiatives

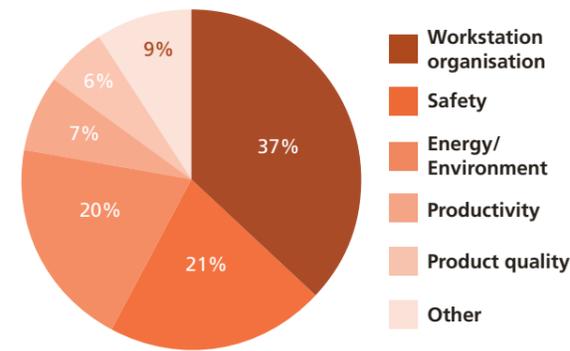
Awareness-raising and communication initiatives are also in place, depending on the site:

- Implementation of the Group's seven fundamentals (Safety introduction - Regulatory display - Electronic display - 24-hour workplace accident newflash - Annual update of the single document - Prevention plan - Communication with the Safety Steering Committee)
- 'Safety Challenge': monthly celebration of accident-free months during a social event
- Monthly safety quarter-hour with a specific focus on a different safety theme each month
- Suggestion boxes have been set up at each site: each employee can use them to make suggestions on safety issues, but also more broadly (environment, ergonomics, energy, quality of life at work, etc.). Each month, the suggestions put forward are studied, and some are adopted and implemented.

At the Suippes site, after a year of monitoring, 127 suggestions were made by employees, 70 were adopted and 59 implemented.



Breakdown of suggestions in Suippes - 1 year rolling



Safety training initiatives

When they arrive at a site, **all employees (regardless of their type of contract) are given an HSE introduction**, during which they are presented with the rules applicable to the site and/or the Group, such as our QHSE policy.

Training courses are organised on a regular basis to maintain and update employees' skills, particularly in fire-fighting. A bus for training first intervention team members (EPI) circulates and tours all the French sites to provide this training (practical use of fire extinguishers, fire hose cabinet, etc.).

In 2023 and 2024, emergency training has also been stepped up, with a number of tests being carried out. The schedule for these tests is defined

by the HSE Club, a monthly meeting chaired by HSE coordination with all site HSE officers. The test is then carried out and monitored by club members. A report is drawn up, listing the course of events, the strengths, areas for improvement and any immediate action required. Emergency procedures are updated as necessary.

In view of the poor safety performance in 2023, the IMPACT committee has decided to train all French managers in 2024 in a two-day 'Safety Management' course, which will enable them to redefine all good practices and work on operational action plans, and which could be rolled out internationally in 2025. Accidentology has also been defined as one of the Group's four key sustainable performance KPIs.



Fire-fighting training

PPE: a key role in protecting employees

Personal protective equipment is provided by the Company and is adapted to the risks of the job. Compliance with this dress code is stipulated in the job description and in the internal rules, and is a golden rule; failure to comply may result in sanctions, where applicable.

✓ Personal noise protection (PICB): moulded plugs

With regard to noise pollution, each site has noise maps and measurements and is implementing action plans to reduce noise emissions. Custom-moulded earplugs are provided for employees working in noisy areas. The built-in filters are adapted to the noise level of the position occupied, making it easier to understand during a conversation.

✓ Respiratory protection: breathing apparatus with assisted ventilation

Despite the collective aspirations in place, smoke and dust are present in certain workshops such as foundries. Assisted-ventilation respirators are used to make respiratory protection easier to

wear and more effective. These respirators provide a high level of protection and comfort for use on a complete production shift.

✓ Eye protection: goggles

To limit the risk of splinters in the eye, protective goggles must be worn in high-risk workshops. For certain operations in foundry or during welding, wearing special visors offers protection against glare and infra-red rays.

For employees who wear corrective glasses, LBA also supplies safety glasses adapted to their eyesight, to improve working comfort and limit the risk of broken frames.

Investment in safety

Aware that working conditions in the metal industry can be difficult (heat, noise, physical strain, etc.), the Group is devoting part of its CAPEX to improving working conditions and employee safety on a daily basis.

In 2023, investments have been made to achieve the following objectives:

- Improving working conditions in the plant (ventilation, lighting, heat reduction)
- The automation of certain arduous manual tasks

- Adapting workstations and handling tools to reduce the risk of musculoskeletal disorders
- Securing machines and their environment to reduce risks (electrical, falls, etc.)
- Assessment of the Bornel site's safety maturity and prioritisation of the resulting key actions, thanks to an external assessment by safety experts

Surveillance actions

To achieve our objective of reducing the number of accidents in the workplace, we have introduced a number of organisational measures:

- Integration of the Health, Safety and Environment (HSE) coordination function within the Sustainable Performance Department to implement the objectives described in the 'ZERO ACCIDENT' pillar
- Setting up an HSE Steering Committee for each Business Unit and Site
- Increased involvement of an external safety expert in Germany, on site two days a week
- Appointment of safety officers for each sector, to assist the site safety manager and sector management in monitoring and identifying

safety risks, in particular by means of safety rounds with a checklist

- Monthly monitoring of ideas for progress in terms of health and safety put forward in suggestion boxes
- On-site audit in the form of discussions with employees to remind them of safety instructions and to take account of any difficulties that may be encountered. To facilitate these audits and improve their impact, a digital tool is currently being deployed at a pilot site, before being rolled out to all sites in France by the end of 2025.

3 / MOVING TOWARDS ISO 45001 CERTIFICATION FOR ALL OUR SITES

In 2023, the IMPACT committee validated the implementation of an **ISO 45001 'Occupational Health and Safety Management Systems' certification** process for all our sites.

This international standard aims to implement an Occupational Health and Safety (OHS) management system and represents an additional commitment to the legislation that the Group is taking on by seeking certification.

The target certification plan is as follows:

- 1st pilot site at Bornel: roll-out in 2024, with certification audit in October
- Depending on the results of the audit: planning over two years to have 100% of our sites in France and our site in Germany certified

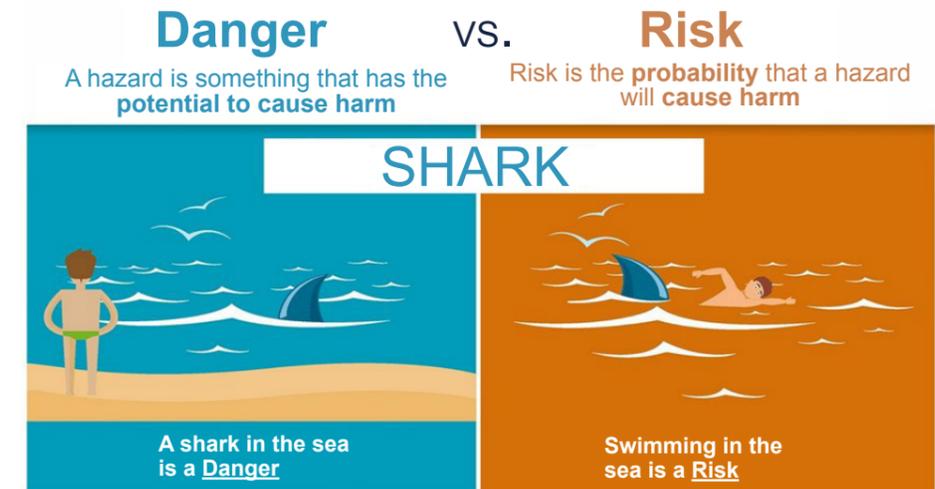
This certification process will consolidate and formalise the work and safety management carried out by the HSE and field teams over many years.

Introduction: The ISO 45 001 standard?

- It is an **international standard applicable to all companies**, irrespective of their size, product or sector of activity, that **wish to improve their performance and reduce the risks associated with Occupational Health and Safety (OHS)** within their structure
- This standard has the same structure as the management system standards (ISO 9001, ISO 14 001) with a continuous improvement approach and involves requirements in terms of Occupational Health and Safety (OHS) (e.g. risk assessment, staff involvement ...)
- **ISO 45 001 provides a structured framework for OHS risk management**



Specific definitions ISO 45 001 examples



4 / PROTECTING THE HEALTH OF OUR EMPLOYEES

While the health of our employees is a priority, absenteeism is also a risk to the company's ability to achieve its objectives. In addition to the actions already mentioned, a number of measures have been deployed or renewed to improve employee protection:

- Annual seasonal flu vaccination campaign
- Regular chest X-ray campaign for specific sectors and opening up to other employees on a voluntary basis
- Information workshops on public health topics (nutrition, alcohol, etc.)
- Organisation to quit smoking with Allen Carr
- The TMS Pros approach to implementing ergonomic measures to improve working conditions
- Follow-up of HSE (Health, Safety and Environment) accreditations and training to maintain or increase skills, and also to offer versatility at workstations

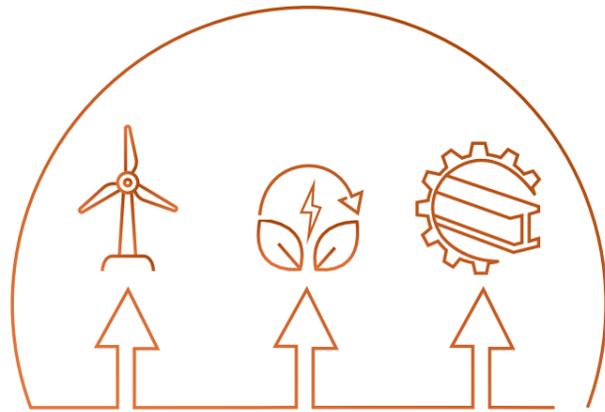
Occupational medicine plays an important monitoring role, with a large number of clinical and complementary examinations carried out every year. These make it possible, in particular, to trace occupational exposure and to carry out studies of workstations to adapt them to staff suffering from medical restrictions.

In addition, all our French, German and English employees are covered by a good level of supplementary health and provident insurance.



ECO SOLUTION

A significant proportion of our sales are generated by positive-impact applications designed to decarbonise and reduce the environmental footprint of a wide range of sectors. Some of our products are also critical to the success of the global energy transition.



This trend is linked to the **properties of copper and the use of this metal in decarbonisation applications** (see *Goldman Sachs study*).

The same applies to our second speciality metal: nickel. Consumption of the latter is set to rise sharply over the next few years as a result of its use in applications such as energy storage and heat exchange.

Why copper is the key to electrification

To understand the central role copper will play in the coming green revolution, it is important to understand how its unique chemical structure gives it a range of useful properties. Copper is a transition metal with a single valence electron, which gives it the following four properties, making it the most affordable material for the manufacture of cables, batteries, transistors and inverters, all key technologies on the road to carbon neutrality.

- 1. Ductility.** Copper is a ductile metal, meaning that it can be rolled into strips and drawn into wires without breaking. In its solid state, copper is a collection of positive ions surrounded by a sea of mobile valence electrons. When a force is applied to the metal, the mobile electrons can slip between the stationary cations and prevent them from making contact, causing the metal to shatter. Other elements with a single valence electron - such as silver and gold - have similar properties, but are not available in industrial quantities.
- 2. Electrical conductivity.** Copper's delocalised electrons are free to move around the three-dimensional ion lattice and, more importantly, they can cross grain boundaries, allowing charges to flow easily through the metal. In addition, the transfer of electromagnetic energy is strongest when there is little resistance. The most efficient conductors of electricity are metals that have a single valence electron that is free to move and causes a strong repulsion reaction in the other electrons. This is true of the most conductive metals, such as silver, gold and copper.
- 3. Thermal conductivity.** The thermal energy is captured by the electrons, which transmit additional kinetic energy along the material. As a result, the best conductors have free electrons that can carry this energy along their entire length. The energy is transferred through the rest of the metal by the moving electrons. Apart from silver, copper is the best.
- 4. Low reactivity.** Copper is not very reactive. Corrosion of the metal is minimal due to the natural protective layer that forms during oxidation, as with stainless steel. However, stainless steel is much less ductile and its thermal conductivity is 30 times lower than that of copper.

1 / INNOVATING TO HELP WITH THE ENERGY TRANSITION

How the ²⁹Cu next generation of clean technologies will be powered

WIND TURBINES

Copper demand from the wind energy sector will account for 20% of green demand; copper intensity is expected to grow as offshore projects, which require twice as much copper, become more widespread.

ELECTRIC VEHICLES

Electric vehicles contain more than 5 times the amount of copper as combustion engine vehicles, and will account for around 40% of green demand for copper by the end of the decade.

SOLAR PANELS

Copper is key to the efficiency and performance of photovoltaic panels, and thanks to the rapid fall in their cost and deployment, they will be the second biggest driver of green demand after electric vehicles.

ENERGY STORAGE

In electric vehicles, copper is mainly used in batteries; in the future, the development of networked energy storage systems will be a key factor in increasing green demand for copper.

Source : World Bank, ICA, Copper Alliance, Goldman Sachs Global Investment Research / April 13, 2021

Our products are used in a number of important applications aimed at:

- Producing, using or distributing low-carbon energies
- Minimising the use of fossil fuels
- Consuming and producing in a responsible way
- Contributing to economic growth
- Contributing to improving human health.

The table below shows the main applications.

Development objective	Main LBA applications
 <p>Producing, using or distributing low-carbon energies</p>	<ul style="list-style-type: none"> Nickel alloys for hydrogen electrolyzers Connector alloys for electric vehicles: C9X, UC500®, brass Underfloor electrical charging panels in CuNi alloys Nickel and precision alloys for battery safety and management CuCrZr and CuNiSi alloys for civil nuclear applications CuNi strips and parts for offshore wind turbines
 <p>Minimising the use of fossil fuels</p>	<ul style="list-style-type: none"> CuNiSn alloys for low-friction bearings reducing the use of synthetic lubricants Alrode® welding electrodes for lightweight aluminium sheets and HYS and VHYS steels Nickel for waste heat recovery applications
 <p>Consuming and producing in a responsible way</p>	<ul style="list-style-type: none"> Speciality alloys to extend the life of end products: Arcap®, CuAl, Nickels and alloys, CuNi, CuNiSn, etc... CuCrZr and CuNiSi alloys to reduce metal consumption: less material used for iso-functionality Alloys for easy end-of-life recycling: brass without lead, beryllium or other harmful metals
 <p>Contributing to economic growth through the development of high-quality infrastructure</p>	<ul style="list-style-type: none"> Nickel alloys for soil decontamination CuNiSi and CuAl alloys for fixed railway equipment Braking systems for rolling stock
 <p>Helping to improve human health</p>	<ul style="list-style-type: none"> Non-magnetic alloys for applications in medical imaging equipment High-elasticity alloys for eyewear Steriall® handles to combat the spread of viruses by hand

2 / PROPOSING SUBSTITUTES FOR 'HIGH-RISK' ALLOYS

In order to reduce the environmental impact and risks of our products, or to optimise their effectiveness in helping to improve the environment and health, we intend to continue to develop and market the following solutions, which reduce the use of harmful metals or metals linked to war zones in the composition of our products:

- **Range of lead-free alloys** to replace leaded brass or other copper alloys currently containing lead.



- **Development of the Hardiall® range and all spinodal alloys to replace copper-beryllium alloys.**

In March 2024, our Hardiall® alloy was honoured at the SIMODEC trade fair for bar turning and precision mechanical manufacturing with two innovation trophies, the Simodec d'Or and the CSR Category trophy.



Innovation Awards - Simodec 2024

By 2027, LBA has set itself the target of reducing and maintaining the proportion of its gross margin (GM) below 10% on alloys considered to be 'at risk'. In 2023, we achieved this rate for the first time.

	2021	2022	2023
% Gross margin from CuBe + Brass-Lead activities	12%	11%	6%

3 / PROMOTING THE CIRCULAR ECONOMY

By developing solutions that reduce the volumes of materials transferred to external collection and refining channels or limit the transport of non-useful weights, LBA plays a full part in improving the life cycle of its products.

Downstream strategy

The development of machined parts based on our semi-finished products or profiles is a relevant solution in terms of sustainable development, as it enables:

- To generate, within a plant that is able to recycle them easily, the off-cuts created during the manufacturing process rather than going through a circuit with an external manufacturer who would resell its chips in the 'standard' recycling chain
- To produce a product that is 'close to the final dimension' and therefore have an optimised weight. This solution limits the weight transported to the end client

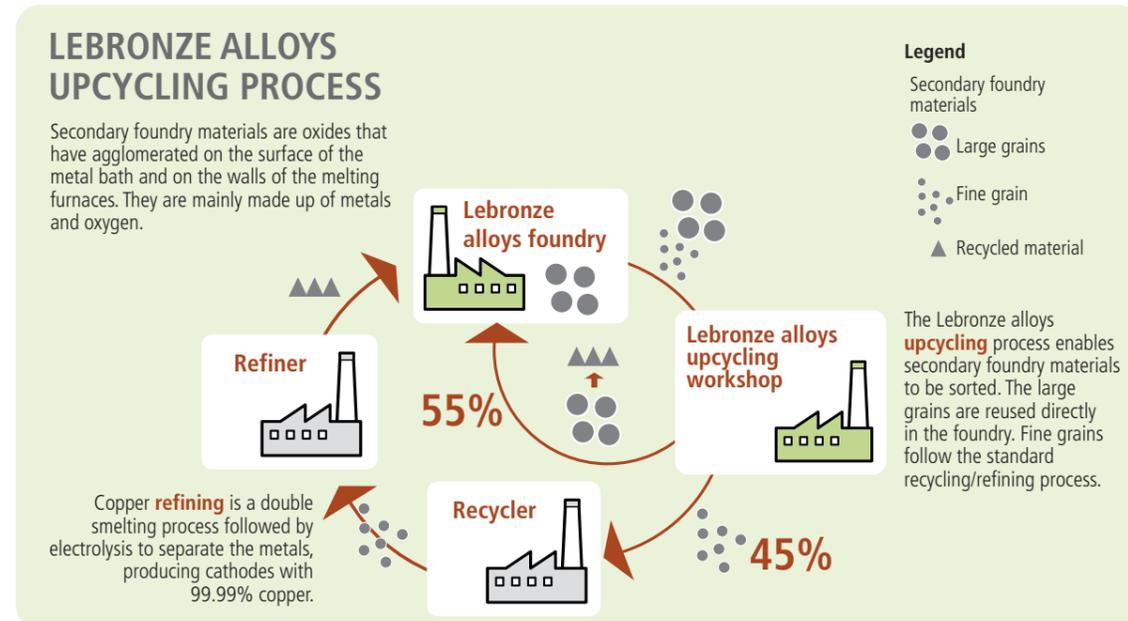
Transforming our manufacturing offcuts into raw materials: the Upcycling workshop

In 2021, a specific 'UPCYCLING' workshop was built in Suippes and financed by the France Relance plan. The inauguration took place in 2022 in the presence of Henri Prévost, Prefect of the Marne.

This investment will allow to:

- Recycle our secondary foundry materials (slag) internally to make them a source of raw material
- Strengthen our ability to source recycled metals internally or externally by carrying out a cold transformation operation that enables these metals to be used directly in our foundries
- A cold treatment process that is much less energy-intensive than a standard external recycling process, which involves numerous stages (transport to the recycler, sorting and 1st series of cold processing, sale and transport to a refiner, separation of metals by a hot process, sale of the 'upcycled' material)
- A financially relevant solution with an economic data report that is advantageous for the entire chain within the Group: the site that sells its production offcuts, the margin made by the workshop, the site that buys at a lower price than on the market
- A business that creates value within the Group: resources, skills, know-how...

The slag processing activity is part of a waste recovery dynamic and has a number of advantages:



Example: in-house recycling of our own foundry 'waste' to make a raw material that can be reused



Upcycles workshop in Suippes

Having set up this workshop, we decided to establish a KPI to monitor the tonnage of 'secondary foundry materials' processed and transformed by the Upcycling workshop.

In 2022 and 2023, 100% of the slag from the Group's foundries was processed through the Upcycling workshop.

The Upcycling workshop was presented at the 'Low carbon Innovation Challenge 2023' held during the International Paris Air Show (SIAE) in June 2023. The aim of the competition, organised by Safran, was to reward suppliers who have developed the best innovations in terms of decarbonisation. Our project came fifth.



Safran 2023 Challenge

Material recovery from our clients

To ensure that our sustainable development policy incorporates life-cycle objectives and the recyclability of parts, we are working with our clients to develop channels to encourage the recovery of their secondary raw materials, which can then be recycled as raw materials in our foundries, while significantly reducing the carbon footprint compared with a standard recycling flow.

This secondary material reuse circuit has existed historically at our German site for certain types of

product. The aim is to extend this option to our higher added-value products (which are therefore more complex to recycle) and to new clients.

In 2023, LBA was proud to collaborate with Orange and Monnaie de Paris for the Rugby World Cup held in France. 206,000 phones collected were recycled at our foundry in Bornel, to produce the alloy used to make medals for the competition.

SYNTHESIS AND SDG IMPACT

PILLARS	ACTIONS	INDICATOR	2021	2022	2023	SDG
BUILD TOGETHER	Maintaining industrial know-how	% payroll dedicated to training	2.9%	3.7%	3.6%	
	Combating discrimination	Annual measurement of the gender equality index	85/100	77/100	79/100	
		Percentage of female managers recruited during the year	0%	33%	29%	
	Sharing value	% French employees as shareholders	34%	32%	50%	
	Encouraging internal innovation	% employees (excluding direct employees) who contributed to a project	58%	50%	47%	
RESPONSIBLE PURCHASE	Encouraging the purchase of recycled metals	% recycled metal purchases	76%	72%	70%	
	Buying locally	% local purchases excluding metal	95%	95%	94%	
	Raising awareness among our suppliers	% of suppliers committed to CSR	-	40%	40%	
OPTIMISED PERFORMANCE	Improving the Group's financial performance	% annual EBITDA growth	135%	55%	16%	
	Improving the industrial performance of sites	% gross margin growth per direct hour per year	5%	50%	11%	
		% growth in sales/m ² of sites (vs 2019)	7%	76%	51%	
	Reducing water consumption	% change in water consumption (vs 2022)	-	-	-69%	
NET ZERO CARBON FOOTPRINT	Reducing GHG emissions	% change in scopes 1/2 emissions (vs 2018 GHG)	-36%	-43%	-65%	
		% change in scope 3 emissions (vs 2021 GHG)	-	-11%	-22%	
ZERO ACCIDENT	Reducing workplace accident rates	Lost time injury frequency rate	27	22	29	
ECO SOLUTION	Promoting the circular economy	Tonnes of oxides treated	480	1,238	641	
	Proposing substitutes for "high-risk" alloys	Share of gross margin of products containing lead/beryllium	12%	11%	6%	



lebronze alloys

Exceptional metallurgy

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