

CRONIMET Group Sustainability Report 2024 – Summary

CRONIMET Group (CRONIMET Holding GmbH) has published its latest sustainability report, highlighting strategic progress in circular economy, climate action, responsible business conduct, and social responsibility. Despite a challenging financial year marked by economic downturns in the European market, the company maintained solid financial performance, strengthened partnerships, and advanced its sustainability governance structures.

Strategic Achievements

Last year, the company's focus shifted even further towards sustainability and efficiency. Collaboration with key partner Outokumpu progressed significantly, with the latter acquiring a 10% stake in CRONIMET North-East GmbH. Additionally, CRONIMET acquired Metallplast Recycling in the Czech Republic, reinforcing its supply network in Central Europe. The company has become the largest supplier of tungsten concentrate in the Western world, securing supply contracts from mines in Australia and Spain.

In South America, CRONIMET launched its first scrap-based ferrotitanium production line and began producing cored wires filled with various metals in Brazil. These innovations improve alloy precision and strengthen the company's supply chain position.

Circular Economy and Climate Action

The company's core activity is the recycling of stainless steel and other metals. In 2024, CRONIMET recycled 1.8 million tonnes of material, achieving a recycling rate of 97.3%. Thanks to this, 3.7 to 4.7 tonnes of CO₂ emissions per tonne of stainless steel were avoided. The company continues to invest in innovation to increase recycling levels and reduce dependency on virgin raw materials.

CRONIMET's climate plans align with the Paris Agreement. The company targets emissions reductions across three scopes:

- **Scope 1:** Direct greenhouse gas emissions from sources controlled by the company (e.g., fuel combustion in its machines or boilers).
- **Scope 2:** Indirect emissions from the generation of purchased energy (e.g., electricity or heat).
- **Scope 3:** All other indirect emissions along the value chain (e.g., supplier activities, material transport, product use by customers).

By 2034, CRONIMET aims to reduce Scope 1 and 2 emissions by 60% and Scope 3 emissions by 35%. By 2050, the target is a 90% reduction across all categories. In 2024,

the company achieved a 28.9% reduction in Scope 1 and 2 emissions and an 11.4% reduction in Scope 3. Furthermore, 43% of electricity used came from fossil-free sources.

Social Responsibility and Corporate Culture

CRONIMET's success is built on motivated employees and an inclusive leadership culture. In 2024, the company launched the oneCRONIMET intranet and employee app to enhance cohesion and communication. The share of women in leadership roles rose to 19%, and CRONIMET joined initiatives supporting women in industry, such as Women4Metals and Women in Recycling.

In health and safety, the company improved protective workwear, launched new safety campaigns, and trained mental health first aiders. CRONIMET invested over €130,000 in charitable and community projects, including music therapy in Germany, education in Togo, and a Christmas initiative in Estonia.

Good Governance and Supply Chain Transparency

The company enhanced its internal controls, compliance processes, and risk management systems. It implemented an AI-based software solution for monitoring supply chain compliance. CRONIMET Ferroleq. GmbH became one of the first companies in Germany to receive a compliance certificate under the Supply Chain Due Diligence Act. Additionally, a new supplier Code of Conduct was introduced, and human rights and environmental protection policies were published.

Looking Ahead

CRONIMET continues to make strategic investments in the green transition, circular economy development, and climate action. CEO Jürgen Pilarsky emphasizes that sustainability is an investment in the future, not a cost. By solidifying its position as a global leader in stainless steel recycling, CRONIMET aims to be a pioneer in promoting a responsible and climate-conscious industrial model.