

CRONIMET Group Sustainability Report 2025 – Summary

CRONIMET Group's 2025 Sustainability Report provides an overview of the Group's activities in the areas of circular economy, climate impact, employees, occupational health and safety, and responsible business conduct. The report has been prepared with reference to the European Sustainability Reporting Standards (ESRS), although CRONIMET was not yet legally required to report externally under the CSRD for the 2025 financial year. The Group uses voluntary sustainability reporting as a way to further develop its management and data processes and to prepare for future reporting requirements.

Circular economy at the core of CRONIMET's business model

CRONIMET is a global specialist in stainless steel recycling and ferroalloy production, headquartered in Karlsruhe, Germany. The Group operates in 24 countries across six continents and has been developing solutions for returning metals to the material cycle through recycling and processing since 1980. Its core activities include collecting, sorting, analysing, processing and blending scrap metal so that it can be reintroduced into industrial production as secondary raw material.

CRONIMET emphasises that recycling metals reduces the need for primary raw material extraction and processing and can therefore lower related energy use and greenhouse gas emissions. The Group handles a broad range of materials, including stainless steels, high-speed and tool steels, super and special alloys, ferroalloys, as well as ferrous and non-ferrous metals. In addition to traditional metal recycling, CRONIMET is expanding its activities in areas such as end-of-life battery recycling and the recovery of critical raw materials, including tungsten and titanium.

In 2025, CRONIMET developed its new **Strategy 2030**, which defines seven Group-wide targets. These include strengthening the core stainless steel recycling business, expanding the ferroalloys business, developing the tungsten segment, creating new partnership models, strengthening financial independence, improving operational efficiency and developing a sustainable organisation. The Group is in the process of defining measurable KPIs and target values for 2030 in order to track progress over time.

Climate action: electrification and the transition away from fossil-based electricity

CRONIMET's climate action focuses primarily on two areas: **electrification of machinery and vehicle fleets** and the transition to electricity from non-fossil sources. Both are integrated into the Group's Strategy 2030. In 2025, European scrap yards continued preparing infrastructure for all-electric machinery, while similar developments also began in the United States. More mobile fossil-fuelled machines were replaced with electric alternatives, and stationary machinery is already largely electric.

The Group also continued to electrify its company-car fleet. The number of charging stations increased by 23 during 2025 to a total of **121 charging points**. More subsidiaries switched their electricity contracts to non-fossil sources, while CRONIMET continued investing in photovoltaic systems at its sites on four continents. By the end of 2025, 22 solar installations were in operation and the report states that approximately 2.4 GWh of electricity was generated from Group-owned photovoltaic systems.

CRONIMET's longer-term CO₂ reduction targets are based on externally validated science-based targets. At the same time, the report openly acknowledges that a significant share of the energy used in the Group's operations still originates from fossil sources. CRONIMET therefore treats emissions from its own activities and value chain as a material negative environmental impact and identifies electrification and non-fossil electricity as key measures for reducing that impact.

People and occupational health and safety

At the end of 2025, CRONIMET Group employed **1,755 people** in more than 20 countries, representing over 40 nationalities. Women accounted for 20% of the total workforce and 18% of management positions. The average length of service across the Group was eight years. CRONIMET identifies trust, openness, learning, care and progress as key elements of its corporate culture and leadership approach.

Because scrap-metal handling can involve significant physical and operational risks, occupational health and safety is one of the Group's key social priorities. Many operational sites use occupational health and safety management systems certified according to ISO 45001. These systems include regular safety inspections, risk assessments, and the documentation and analysis of accidents and incidents. Employees are provided with protective equipment and relevant safety training.

In 2025, 59 accidents were recorded within the Group, with an accident frequency rate of 19.23 incidents per million working hours. There were no fatalities among CRONIMET employees. However, one employee of an external contractor died in an accident at a CRONIMET site in Brazil. The incident was investigated together with the contractor and corrective measures were defined. The further standardisation of occupational health and safety across the Group is part of Strategy 2030.

Responsible governance and supply-chain management

CRONIMET considers responsible and ethical business conduct an essential part of its business model. All new employees receive training on the Group's Code of Conduct, and CRONIMET operates a confidential whistleblowing system.

Supply-chain management includes business-partner screening, a Supplier Code of Conduct and the assessment of human-rights and environmental risks. Suppliers are expected to comply with CRONIMET's requirements and, where possible, to apply

similar standards within their own supply chains. Since 2024, the Group has also used AI-based software to continuously monitor direct suppliers for human-rights and environmental risks.

CRONIMET's management systems and sustainability performance have also received external recognition. Group companies hold internationally recognised certifications including ISO 9001, ISO 14001, ISO 50001 and ISO 45001. In 2025, different CRONIMET companies received EcoVadis Silver, Gold and Platinum medals, placing them respectively among the top 15%, top 5% and top 1% of companies assessed by EcoVadis.

Overall, the 2025 Sustainability Report shows CRONIMET moving from a business model inherently based on circular economy principles towards a more systematic sustainability-management approach. Circularity remains at the heart of the Group's business, but it is increasingly supported by measurable climate targets, electrification, reduced reliance on fossil-based electricity, stronger occupational health and safety standards, more systematic supplier oversight and a closer integration of ESG topics into strategic management.