



SUSTAINABILITY REPORT 2021

Bringing connections to life

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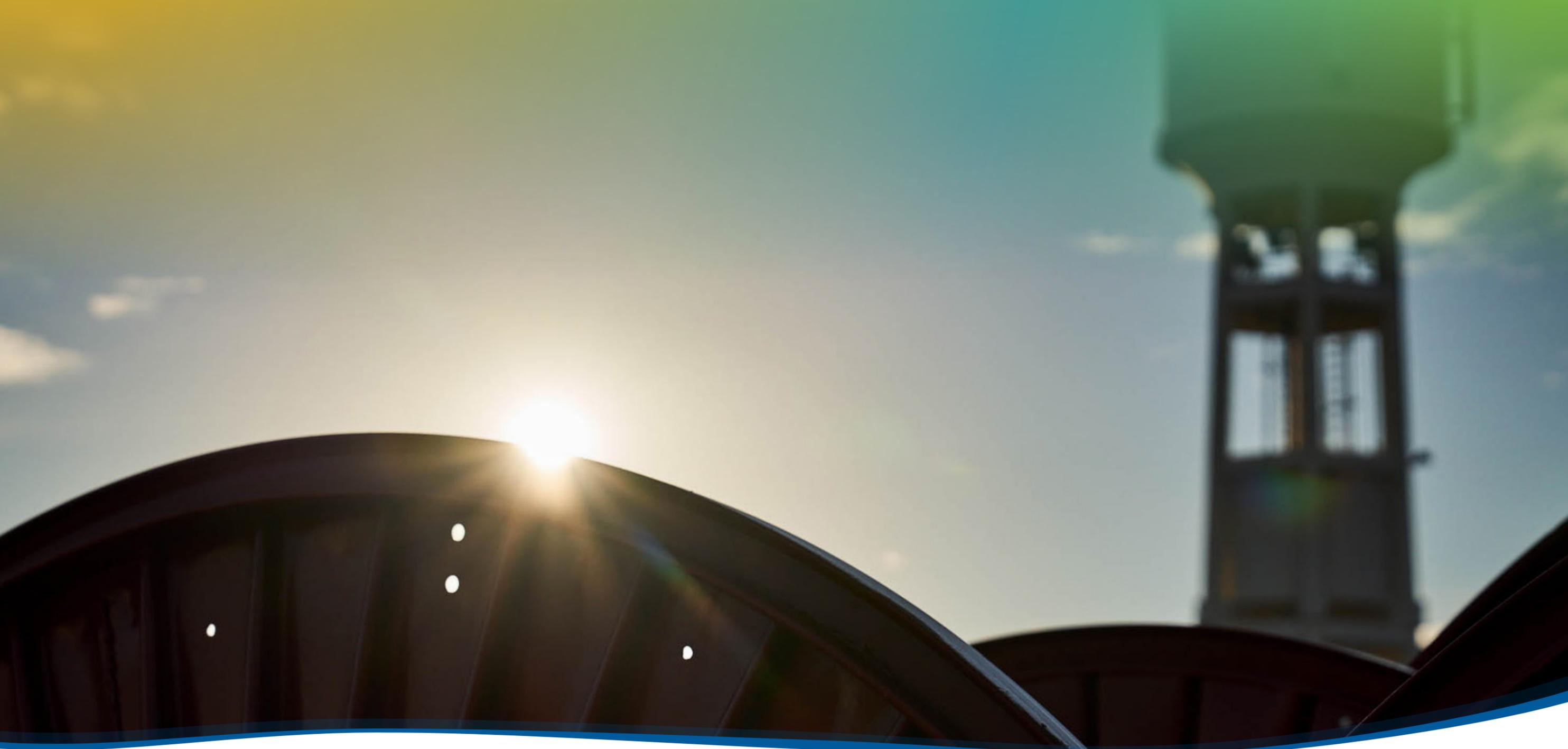
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INTRODUCTION

MESSAGE FROM THE CEO AND THE CHAIRMAN

Throughout its 90 years of existence, Lamifil has shown its ability to adapt to changes in both society and the needs of our market. Driven by quality and innovation, we have become a reputed manufacturer of innovative cable and wire products in copper, aluminum and copper and aluminum alloys. Today, we serve the global railway, energy, automotive, aerospace and steel industries as well as a wide range of consumer goods manufacturers. Backed by a focused strategy and supporting investments, we embrace the future with confidence even in these challenging times.

As a company, we are not isolated from the world. We are part of an intricate ecosystem, which includes our own employees, customers, shareholders, competitors, prospects, future employees and society as a whole. Shaping our future as a company, we have to be fully aware of both the challenges and opportunities within that ecosystem. And our vision and strategy have to reflect how we act upon them in order to secure our long-term success.

In today's global society, companies bear new responsibilities. Our stakeholders do not merely judge us by the quality of our products and services. Which is why we are committed to living up to our role and providing proof of our social responsibility. This applies to the economic value we create, including local employment and anchoring, as well as our impact on the environment and how we reduce it.

“ We are committed to living up to our role and providing proof of our social responsibility. ”

Listening to the changing expectations of customers, the market and all of our external stakeholders, we join forces with them to become more efficient and sustainable. At the same time, we closely follow the needs of our employees. Because in order to reach our sustainable goals, we must continue to develop an internal culture in which our people can feel good, feel respected, work safely and seize opportunities to grow.

In this first sustainability report, we are proud to present our strategic approach to becoming a more sustainable company. In it, you will find a selection of key initiatives we are taking to reduce our environmental impact and to add value to society and our stakeholders.

As will become clear in this report, we cannot realize our goals without the contribution of all our stakeholders. We wish to thank them for their continued trust in what we do and what we believe in.

Filip Goris
CEO

Olaf Sterkenburg
Chairman

RESPONDING TO COVID-19

The coronavirus or COVID-19 pandemic is leaving a deep and lasting mark, on people and on businesses all over the world. In line with our company values, Lamifil has ensured a comprehensive response to the outbreak, in order to safeguard the health and wellbeing of our employees and the continuity of our business.

First and foremost, we have taken necessary measures in view of the health and safety of our employees and to prevent contamination. In line with government recommendations and regulations, we have implemented hygiene and other measures as well as communication regarding social distancing, teleworking, meeting rules and instructions for external contractors and partners, among others. Moreover, we have been conducting additional cleaning operations in our facilities and hygienic tissues, gels, masks and gloves are being actively distributed among our staff.

At the same time, we have taken measures to ensure continuity of our production. At present, our production facilities are running as usual, and all orders are produced as scheduled. We have been experiencing a slowdown in demand for our semi-finished products in some industries that have been significantly impacted by the COVID-19 crisis, such as automotive, aerospace and construction. Our activities for other important industries such as energy transmission and distribution and railway have so far remained on track.

Lamifil expresses its deepest sympathy and concern for all people and businesses impacted by the pandemic. We continue to monitor developments closely and update our information and measures accordingly.



WHY WE DO WHAT WE DO

“ We bring connections to life with smart wires forged by technology, innovation and mastery ”

This is our mission. It defines why we do what we do every day. It also describes our aspiration for a better world, encapsulating why we exist and showing how we want to make a difference together. As such, it has impact on different levels:

We produce smart **wires that literally connect energy, people, cities, parts of a whole**. We build connections with our customers and business partners and between colleagues. We create possibilities to exchange physical or human energy and enable people, businesses and things to unite.

Our **products are intelligent**. They are tailored to address customer and societal needs. We use alternative and innovative technologies, designs and alloys to create unique and more sustainable solutions. And we help customers develop and deploy products as effectively as possible.

Our products are based on proven technology, materials and standards. Driven by **R&D** and tested by our own accredited lab, our engineers get the most out of technology through **innovation**. We have built up 90 years of experience and **craftsmanship** in the production and application of copper and aluminum wires and cables..

THE VALUES THAT LEAD US

If we want to become more sustainable, we have to leverage our strengths and our identity. How successful we are depends on how we act. That is all about our professional and personal behavior and attitude towards each other, our customers, our jobs and our environment. Within Lamifil, we follow a set of values that are intertwined and amplify each other. They serve as **a compass that leads us**, determines our identity and helps us to reach our goals and achieve fulfilment.

Zeal

Zeal is the fire that fuels our striving for quality and innovation. It is the spirit of enthusiasm, commitment, ownership and motivation that drives us to work better every day. It is the energy that sparks new initiatives and lets us persevere and be creative in building products to shape a better and more sustainable world.

An open mind

New ideas drive our business and personal growth. If we want to continue to develop and pioneer, we need to interact with the world around us. This means listening to others, learning from each other and being responsive. Only with an open mind can we beat the status quo.

Connectedness

Everything we do, we do better together. Working as a team and seeking partnerships enables us to connect our energy and create something that exceeds our capacity as individuals. When we think and act constructively, every challenge becomes a solution.

Respect

Respect for people and our environment is a fundamental value. In its broadest sense, it means doing what is right at all times, being honest and showing trust and loyalty to those we work with. Respect is also about being mindful to preserve and enhance safety and wellbeing in our work environment. With a sense of humility, we show appreciation for each other's work, efforts and opinions. We aim to be honorable and never depreciate or discriminate.

HOW WE SEE THE FUTURE

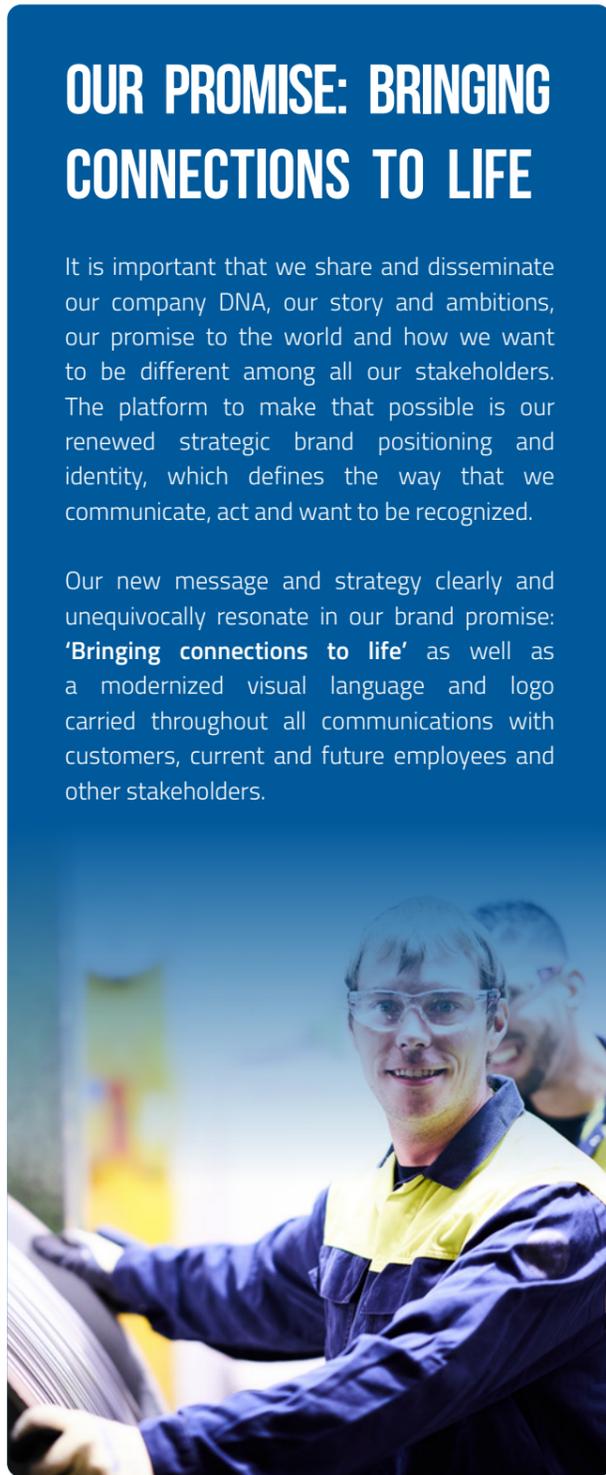
Leveraging our own identity, our mission and values, we work hard to realize our dream for the future. Our vision depicts a world to which we want to contribute by realizing our mission.

“We believe in a world in which a spirit of perpetual pioneering originates smart technology to create value, progress and wellbeing together.

- > For companies, by increasing their performance and their ability to become more sustainable, agile and efficient.
- > For people and communities, by connecting them and bringing them energy to help them realize their potential and ambitions.”

Our vision expresses our belief that companies such as ours need to continue to create sustainable added value for society. This implies that the products, services and technology we offer need to **advance people and communities**. By providing them energy in a sustainable way or by ensuring that they can connect with each other more easily, collaborate more efficiently and be mobile and free.

At the same time, it is our duty as an employer to **support our employees in realizing their own potential**. By providing them jobs that offer satisfaction and the ability to grow and learn. Finally, even if the world is our playground, we need to fulfil our role as a local **corporate citizen**. We do so by investing in our site and minimizing the impact of our activities, attracting and nurturing local talent and cultivating our relationship with the local community with which we are deeply connected.



SUSTAINABILITY IS EMBEDDED IN OUR STRATEGY

To deliver on our promise to bring connections to life and create sustainable growth, we are executing a **comprehensive strategy** that combines **proven choices** with thorough **transformation**. It is clear that sustainability is not an isolated strategic goal or program for Lamifil. It is embedded in all aspects of our business and the **four main pillars** of our strategy.

CONNECTING WITH CUSTOMERS

The first strategic pillar **'Connecting with customers'** covers how we are answering current and future customer and societal challenges and how we differentiate ourselves in the market by providing added value and quality. Next to existing markets, we are aiming at new vertical and geographical markets with **innovative and sustainable products**.

CONNECTING WITH EACH OTHER

The third pillar - **'Connecting with each other'** – amounts to how our employees work together in order to **improve wellbeing, safety and productivity**. As a foundation for this pillar, we are implementing a long-term safety plan and approach. Embedded in our value-driven organization and culture, it focusses strongly on openness, leadership, education and communication.



CONNECTING WITH THE FUTURE

'Connecting with the future', our second strategic pillar, is about preparing our **manufacturing** site and processes for growth in a sustainable future. Important innovations have been realized and planned in our production facilities with new installations being put into use. These investments allow us to manufacture **more efficiently and sustainably** while further improving employee safety.

CONNECTING WITH THE ENVIRONMENT

The final strategic pillar - **'Connecting with the environment'** – guides our commitment to society as a **corporate citizen**, through local anchoring and respect for our neighbors. Within our broader vision on sustainability, we are dedicated to mitigating the risks of impacting our local environment in every possible way.

THE BIGGER PICTURE

It would be delusional to think that we can take on the world's challenges all by ourselves. However, if countries, communities, companies and citizens work together as part of a **global partnership**, then we can really make a change. That is why we have enshrined our own sustainability strategy and objectives into the larger shared framework of the United Nations 2030 Agenda for Sustainable Development and the 17 **Sustainable Development Goals** (SDGs). While Lamifil supports all SDGs, we have identified the key areas in which we believe we can actively contribute and make a difference.

Today, our focus lies on:

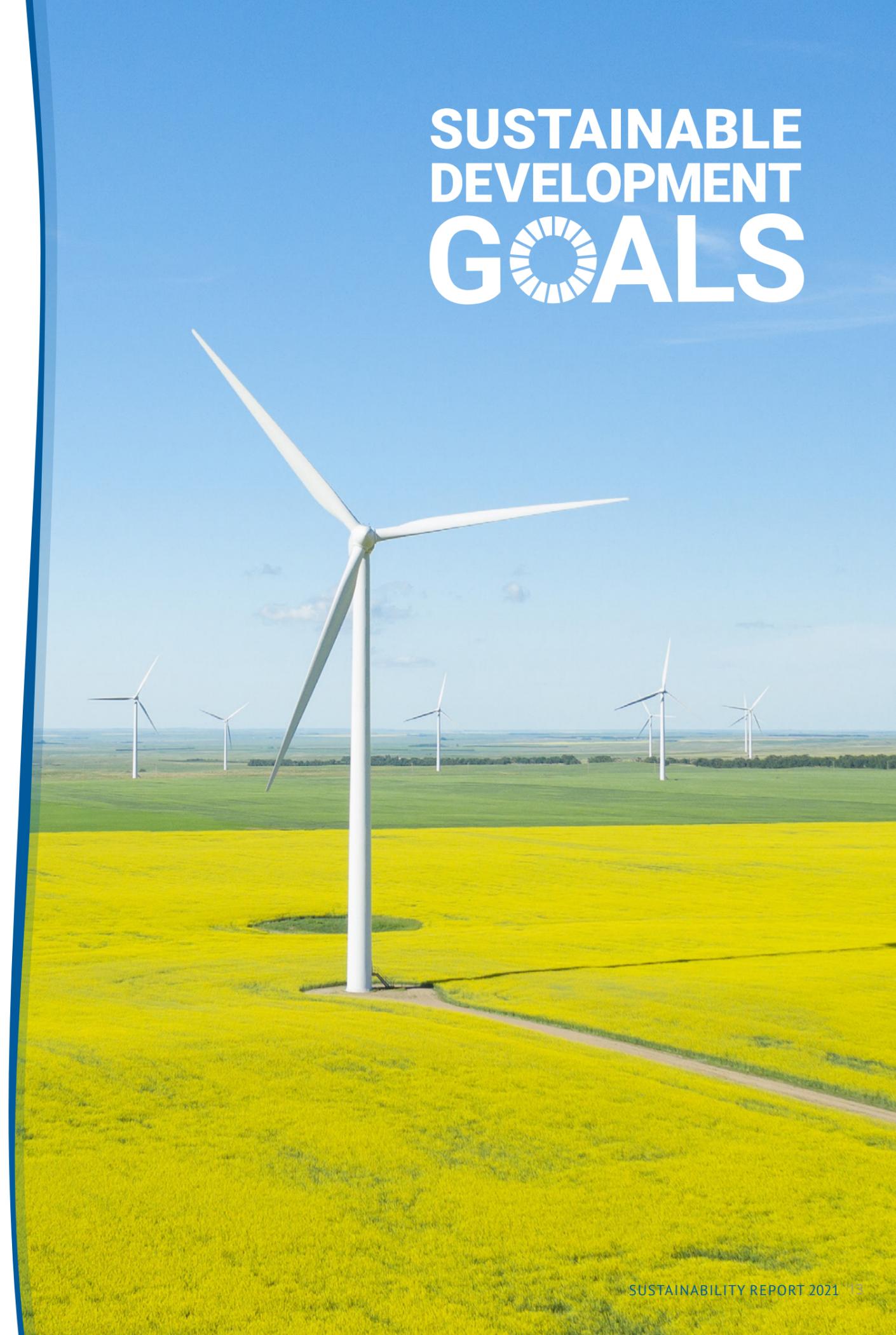
- > Good health and well-being (SDG 3)
- > Quality education (SDG 4)
- > Gender equality (SDG 5)
- > Affordable and clean energy (SDG 7)
- > Decent work and economic growth (SDG 8)
- > Industry, innovation and infrastructure (SDG 9)
- > Sustainable cities and communities (SDG 11)
- > Responsible consumption and production (SDG 12)

There is a clear link between the SDGs and our own strategic goals. They are all about connecting. Connecting with the future, with each other, with stakeholders and our environment.

Our growth path has been laid out. Proud of our heritage, open to the present and confident about the future, we are ready to write a new chapter.



SUSTAINABLE DEVELOPMENT GOALS

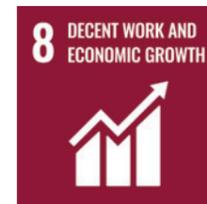




CONNECTING WITH OUR CUSTOMERS VIA SUSTAINABLE PRODUCTS

OUR GOALS

- > Reduce the environmental impact of our products
- > Develop products that contribute to energy efficiency and sustainable communities



CREATING A SUSTAINABLE VALUE CHAIN

Lamifil is one of the world's leading manufacturers of high-end conductors, wires and wire-based products in copper, aluminum and their alloys.

We help supply energy to millions of people with advanced **overhead conductors** that intelligently increase the energy grid's capacity and efficiency, reduce costs and losses and address environmental concerns. Our aluminum-based solid conductors are also used in underground and undersea power cables.

“ We continuously work on new and unique solutions to respond to modern energy, transport and manufacturing challenges. ”

Our **catenary wires** make trains and metros run more efficiently in dozens of countries. We continuously develop new solutions enabling railway operators to run more trains at a lower cost, to future-proof rail systems, boost network conductivity and lower their CO₂ footprint.

From the fine **copper wires** used in wiring harnesses in the automotive industry, to the special **aluminum and copper alloys** used in aerospace and consumer applications, our specialty wires are designed to create high-quality products and solutions while contributing to more efficient and sustainable manufacturing processes.

Our contribution to sustainability, however, does not end with our products and services. Together with our customers, suppliers, associations and research institutions, we aim to **create a strong value chain** that supports shared goals and sustainability initiatives. Embracing end-to-end engineering and custom manufacturing, we develop our products in view of their entire lifecycle. On average we invest over 5 percent of our annual revenue(1) in R&D. In 2020 we allocated 16% of our revenue(1) to R&D and strategic innovation investments.

“ Over 5 per cent of our annual revenue(1) is invested in R&D ”

We continuously work on new and unique solutions to respond to modern energy, transport and manufacturing challenges. We focus on **added value solutions rather than mere commodity products**. Which means going beyond meeting product requirements and helping our customers think about how both our and their own products can contribute to minimizing CO₂ emissions, boosting energy efficiency, and reducing waste and the consumption of raw materials.

Throughout the design and development phase, our R&D engineers team up with our in-house ISO 17025 certified lab to subject our products to strict **quality and sustainability tests**. This includes, for example, a complete carbon footprint study on our overhead conductors. So we can show in great detail how our products actually help our customers reduce their carbon footprint and total cost of ownership. Compliance to the RoHS 2011/65/EU directive on hazardous substances and REACH regulation regarding chemical substances is embedded in our research, development and production processes.



Liaising with various industry associations and institutes, we exchange knowledge to accelerate the global pursuit for sustainable technologies. Among others, Lamifil is represented in national, European, and international electrotechnical committees. We also contribute to several technical workgroups and collaborate with renowned Belgian universities.

ALUMINUM PRODUCTS

Today, around 80 percent of the products we manufacture are aluminum based. Aluminum's light weight, durability and reusability have made it the material of choice for replacing other metals such as steel in many applications. Preparing for future growth, we have **transformed our aluminum melting facilities** in Belgium from the ground up using a unique **eco-efficient production** process and state-of-the-art equipment. (Read more about this in the next chapter.)



EFFICIENT ENERGY TRANSMISSION AND DISTRIBUTION

In growing economies, demand for electricity is rapidly increasing as is the need for efficient ways to transport it. In mature economies, replacing ageing power lines and adapting existing networks to integrate renewable energy is a key priority. Over 82,000 km of our overhead conductors are currently used for energy transmission and distribution in over 75 countries. We are a niche player in this market, serving leading energy providers that are looking for added value rather than commodity products.

“ +82.000 km of overhead conductors in +75 countries ”

Our focus on innovation has led to the introduction of ground-breaking and patented new products including **Ultra High Conductivity (UHC)** conductors and **High Temperature Low Sag (HTLS)** conductors.

Combining highly conductive, temperature resistant alloys with innovative core and conductor designs, our conductors help to **address modern energy grid challenges** and secure future energy supply.

First and foremost, our **HTLS conductors** are designed to **double the transmission capacity** of overhead lines. As a result, operators do not need to build new lines and can therefore **minimize the impact of their overhead line infrastructure**.

Our innovative **AAAC UHC conductor** (All Aluminum Alloy Conductor Ultra High Conductivity), on the other hand, typically **reduces line losses by 30%** compared to a classic ASCR conductor.

More efficient conductors mean less energy is wasted and, consequently, a lower need for energy production. As overhead lines are typically designed to be used for up to three decades and longer, **energy savings** resulting from our advanced conductors are significant throughout the product lifecycle. For a standard 50km long 3 phase single wire overhead line, replacing common (ASCR) overhead lines with advanced HTLS or UHC conductors can **decrease energy losses by up to 15,000MWh annually**. That is equivalent to the average annual energy consumption of 4,000 European households(2). Which in turn saves around **6,000 tons of CO₂ emissions annually**(3), the equivalent of what **4,000(2)** cars produce every year. For grid operators, reduced losses not only means more sustainable operations, it also significantly **reduces overall operational and capital expenditure**.

“ For a standard 50km long 3 phase single wire overhead line, replacing common (ASCR) overhead lines with advanced HTLS or UHC conductors can decrease energy losses by up to 15,000MWh annually. That corresponds to an annual CO₂ reduction of 6,000 tons. ”

Our ice load conductor range including GAP+ and ACCC Ice + is specifically designed to **increase grid reliability** and address capacity needs at the same time, in facing these climatic challenges.

Our engineers are continuously looking for new solutions to address **special conditions and climatic issues** such as heavy winds and severe ice loads that place power grids around the world under pressure. These conditions can have severe consequences including excessive sagging, which in turn may lead to power outages and infrastructure damage.

LIGHT WEIGHT, LESS IMPACT

Manufacturing industries are continuously looking to optimize production processes and product quality. In their quest to design and produce more environmentally-friendly products in more sustainable ways, **reducing weight** has become one of the crucial factors when assessing alternative materials and designs. The steep rise in demand for electric vehicles, for example, has automotive engineers looking for new ways to reduce the weight of both cars and their batteries. Merely replacing steel bolts with aluminum bolts can reduce a car's total weight by 0.5% and energy consumption by 0.3%. (3)

Alongside electrical applications, we also aim to expand the applications of our aluminum products for mechanical applications in the **automotive, aeronautics and robotics** industry, among others. We design and cast high-quality aluminum alloy-based semi-finished products that are strong, light and easier to process. In so doing, we help our customers and their customers make their manufacturing process more **cost-effective** and **flexible**, to improve **quality** and reduce the environmental impact of their finished products.

“ We help our customers and their customers to make their manufacturing process more cost-effective and flexible, to improve quality and reduce the impact of their finished products. ”

COPPER PRODUCTS

As well as aluminum-based products, Lamifil manufactures wires and cables in copper and copper alloys for the **railway industry** as well as the **automotive, aerospace, medical, electronics** industries and for **consumer goods** manufacturing. In recent years, we have been investing heavily in our copper product division in order to develop stronger, finer, highly conductive and environmentally friendly alternatives. Using an innovative production process, we offer in-house design, manufacturing, quality control and supply of wire rod, drawn and extruded wires, bunched and stranded conductors and surface-treated wires.



NEXT-GENERATION RAIL ELECTRIFICATION

The EU's Roadmap 2050 for a low-carbon Europe foresees rail as a major contributor to cutting oil dependency and reducing greenhouse gases in transportation by 60%. With increasing demand for **lower emissions and greater reliability**, combined with an increased choice for passengers, rail network operators are looking for ways to increase efficiency and lower Total Cost of Ownership. We design and produce innovative catenary wires to face these challenges and enable rail networks, whether high-speed or light-railway transit, to reach their full potential.

Our PowerFil alloy, for instance, announces a new generation of products for railway electrification allowing operators to run more trains on the same track and increase the longevity of their rail systems.

This 'green' and Cadmium-free alloy offers up to 19% less electrical resistance and 14% higher conductivity than a CuCdSn alloy(4), thus reducing CO₂ and increasing efficiency.

“ Our PowerFil alloy enables rail operators to reduce CO₂ emissions and run more trains on the same track ”

ADDRESSING MODERN PRODUCTION CHALLENGES

Manufacturing industries invest in safe, efficient, environmentally-friendly and high-quality manufacturing. Offering better breakage ratios, conductivity, tensile strengths and thermal stability, our innovative copper alloys address modern production needs for some of the most demanding industries.

Our copper alloys enable manufacturers to save on the volume of raw materials needed, as they attain the required conductivity with smaller and stronger wires. In the aeronautics and automotive industries, for example, **high strength, high conductivity** alloys replace pure copper for very specific applications that result in significant **volume, weight and cost savings** and consequently, reduced CO₂ emissions.

Replacing a standard pure copper 0.35mm² insulated wire for electrical distribution in a C-segment car by a 0.13mm² CuMg0.2 alloy wire, for example, could result in 63% volume savings, 43% cost savings and 59% weight savings,

SUSTAINABLE SUPPLY CHAIN

The main raw materials Lamifil uses for production are aluminum T-bars and copper cathodes. These are sourced from suppliers from around the world. In addition, we also purchase other metals such as magnesium and manganese for alloying. Our procurement of metals is **compliant with the US Dodd Frank Act Section 1502 regarding conflict minerals**. Today, all our major metal suppliers have signed a code of conduct agreement with Lamifil.

Based on our **supplier code of conduct**, we expect our partners and suppliers to do business according to globally accepted **ethical standards**, and comply to local and international laws.

(1) Revenue excluding metal (2) Odyssee Mure data, 2018 (3) Lamifil research/calculations (4) Lamifil lab calculations, PowerFil vs CuCdSn 37x1.80mm wire

the latter corresponding to over 2kg of pure copper. Using a CuMg NG 0.08 mm² alloy wire in this case would lead to even higher savings: 77% in volume, 70% in weight and 57% in cost. (3)

TOWARDS A CADMIUM-FREE WORLD

In the context of our copper-based products, one of our key innovation focus areas is the reduction of the use of hazardous materials such as cadmium. We are currently running several research projects to develop new alloys that can replace copper-cadmium alloys for applications in industries where technically viable alternatives are lacking.

Thanks to promising developments in this area, Lamifil will be able to gradually reduce and ultimately eliminate the use of cadmium and tap into new market opportunities offering environmentally-friendly substitutes for cadmium-based products, including our new PowerFil alloy.

This code includes requirements related to human rights and occupational health and safety, environmental concerns, ethics and transparency, which are evaluated on a regular basis by our purchasing department. In order to build a sustainable and successful supply chain, we typically establish **long-term partnerships** with our suppliers.

Wherever possible, we prioritize local sourcing to support local economies and minimize the carbon footprint of our supply chain. Moreover, we are constantly looking for ways to optimize transportation to and from our suppliers and customers.

GOING THE EXTRA MILE

Lamifil chooses its partners based on their commitment to sustainability. One of Lamifil's loyal and dedicated logistics partners is the Belgian company S&S Transport. Picking up around 3,000 tons every year, this company delivers our products safely and on time to multiple countries throughout Europe.

S&S Transport recently invested in a new-generation truck model that combines driving performance with sustainability. The truck's new engine with advanced fuel-saving features allows S&S Transport to save up to 7% in fuel consumption on long-distance assignments.





CONNECTING WITH THE FUTURE THROUGH ECO-EFFICIENT MANUFACTURING

OUR GOALS

Sustainable manufacturing through innovation and efficiency

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SUSTAINABLE MANUFACTURING AS A CONTINUOUS PROCESS

Building on our foundations and human capital, Lamifil is transforming its operations today to deliver on its strategy and vision for the future. The key drivers of this transformation towards sustainable manufacturing are innovation, efficiency, digitization, and people-centric production.

Starting from a clear view on a more sustainable society and economy, we have recently made significant investments to further **modernize our plant** with high-tech eco-efficient equipment and innovative production processes.

In parallel with these investments, we are also progressively **digitizing our production**. So our people can live up to their role as a central pivot point in a sustainable manufacturing organization. We involve them in the innovation process to support our sustainable goals, while developing a culture of safety and well-being.

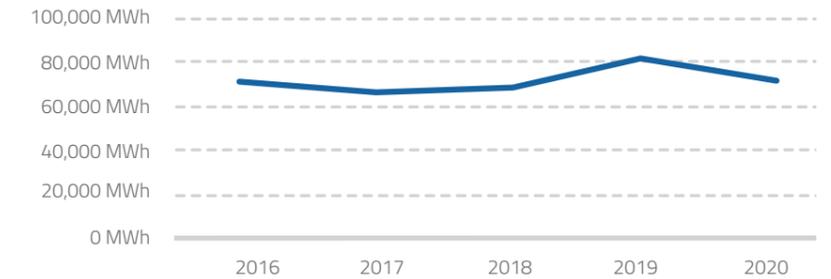
Eco-efficient manufacturing is a continuous process that requires an all-embracing approach. Our approach includes energy and environmental management policies, strategic and operational investments as well as continued compliance, certification, and reporting. Our key focus lies on improving energy efficiency, managing and mitigating emissions, minimizing impact on our local environment, and a circular approach for the use of materials.

“Reducing energy consumption with technology and innovation is the cornerstone of our approach to eco-efficient manufacturing.”

We aim to maximize our energy efficiency in the coming years with energy-saving measures and significant investments in sustainable production. Next to our focus on ongoing actions, we are working on a long-term plan.

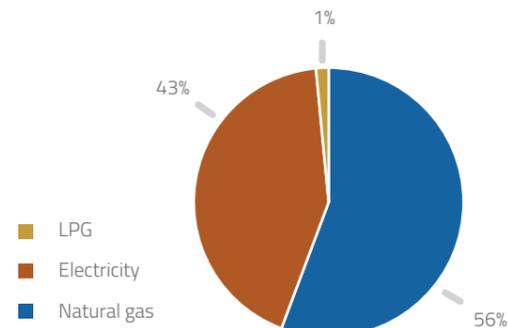
Reducing energy consumption with technology and innovation is the cornerstone of our approach to eco-efficient manufacturing. To that end, we are combining a broad array of measures ranging from standardizing LED lighting, upgrading engines, reducing metal melting temperatures, regenerating heat, and recovering energy to introducing entirely new and transformational production systems.

TOTAL ENERGY CONSUMPTION



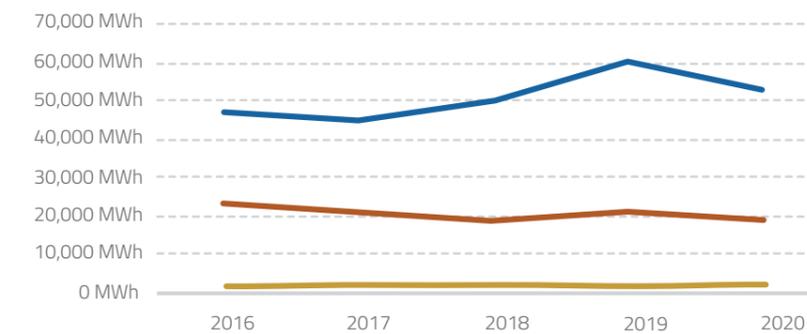
MAXIMIZING ENERGY EFFICIENCY AND REDUCING OUR ENVIRONMENTAL FOOTPRINT

CO₂ EMISSIONS BY SOURCE 2020



In 2020, energy usage at Lamifil totaled 71,726 MWh. Our carbon footprint is primarily composed of natural gas (56%), electricity (43%), and LPG (1%). While our consumption of electricity decreased by 19% over the last 5 years, we saw an increase in the use of natural gas over the same period due to inefficiencies at our melting facilities. These have since been resolved with the implementation of our new melting facilities.

EVOLUTION ENERGY CONSUMPTION BY SOURCE



A literally ground-breaking and catalyzing project for Lamifil to reach its goals is the introduction in 2021 of a unique eco-efficient production process for aluminum using state-of-the-art casting and rolling facilities. This new process will allow us to **decrease the total natural gas consumption by 20%** and significantly lower CO₂ emissions and losses at Lamifil's cast house facilities. (See case study for more information.)

“Our electricity consumption decreased by 19% since 2016. We aim to reduce our natural gas consumption by 20%”

ENERGY AND ENVIRONMENTAL MANAGEMENT

The success of our vision demands meticulous management of our activities related to environmental preservation and energy efficiency. Lamifil's integrated policy is based on a practical but **comprehensive EHSQ (Environment, Health, Safety and Quality) Management System** which reinforces our commitment to customer satisfaction and continuous improvement according to the international standards **ISO 9001, ISO45001, and ISO14001**.

By integrating energy management in our existing ISO14001 certified environmental management system, we also comply with the Flemish Government's 2015-2022 EBO program(1). Following our voluntary commitment to this EBO program, we operate according to a comprehensive energy management plan which is monitored and verified annually.

The EBO program covers a range of measures and includes our new aluminum melting facilities as well as future assessments pertaining, e.g. to solar energy generation. A dedicated energy manager is actively implementing, coordinating and communicating our energy policy and research has been performed to improve process efficiency.

Lamifil **reports extensively** on its efforts to manage and reduce its environmental impact. Within the framework of EBO, an energy plan is prepared for the Flemish Government and certified by an independent verification agency. Internal reporting procedures include a Year Action Plan, the Annual Report of the environmental coordinator and the Global Prevention Plan. In accordance with local government regulations, Lamifil also holds all necessary building and environmental permits.

ISO 9001
ISO 14001
ISO 45001

BUREAU VERITAS
Certification



CASE: A UNIQUE ECO-EFFICIENT PRODUCTION PROCESS FOR ALUMINUM

Among other products, Lamifil's aluminum division produces overhead conductors, intermediate products for underground cables and cables for mechanical applications for the automotive industry. Preparing this division for future growth, Lamifil decided to transform its aluminum melting facilities from the ground up, using a new and unique melting process permitting significant improvements in terms of energy efficiency. Lamifil expects the new production process to be operational early 2021.

Melting and casting aluminum is the most energy-intensive activity in Lamifil's manufacturing process. By transforming the entire process and machinery, Lamifil can lower its total consumption and CO₂ emissions of natural gas by 20%, while enhancing product quality, reducing material loss, and improving ergonomics and safety for our employees. The eco-configuration project is part

of the company's comprehensive future strategy, supported by a significant package of investments. It has also received ecology support from the Flemish Government in Belgium.

The new design mainly consists of three all-new aluminum melting-holding furnaces, equipped with specially designed doors, a new charging system, an automated stirrer and low emission regenerative burners, the latter accounting for almost half of the energy savings. Thanks to the use of advanced technology, automation and analytics for autonomous production monitoring, co-workers will be able to focus on production performance and quality since certain laborious tasks will be taken over. This innovative installation will shape the way we will produce our aluminum products more sustainably and efficiently in the future.

MANAGING AND REDUCING EMISSIONS

AIR

Since 2017 we have stepped up our efforts to optimize production processes with a view to reducing emissions throughout the production site. Adjustments are being carried out on natural gas operated heating and treatment installations following periodic emission measurements of NOx, CO, SOx and dust.

In our copper division, total organic carbon and metal emissions are periodically measured. We are progressively expanding extraction systems on our copper manufacturing machines with absolute filters for “zero” metal emissions.

In view of our compliance with ISO 14001, we are actively managing and maintaining all cooling and heating equipment used in our production facilities.

SOIL

Lamifil runs an active program of soil investigation and sanitation following a 10 year survey of soil conditions. The program includes an ongoing soil remediation project for groundwater capacitation and purification and annual monitoring of groundwater via monitoring wells. Two descriptive soil surveys were carried out between 2014 and 2017, based on which two new soil remediation projects are being prepared and investigated.

Lamifil reports to the government on its progress every two years. We proactively keep surrounding communities informed about ongoing projects and remain involved through our neighborhood committee. Lamifil is also planning to participate in the European GREENER project, a consortium performing research into sustainable remediation and research techniques.

WATER

In recent years, dry periods have become increasingly common in Belgium, which puts pressure on its capacity to provide and purify water. Lamifil has been using its own water purification installation since 2004 and has been taking numerous initiatives to reduce its impact on the local water system.

We have managed to decrease consumption of fresh water by approximately 40% since 2015 thanks to an integrated approach including an employee awareness program, innovative work practices and a rainwater decoupling project for the reuse of rainwater in our cooling systems. In addition, we buffer rainwater to reduce peak loads on public sewers and separate the disposal and processing of waste water that is used in certain production processes.

We continuously measure our flowrate and pH of the wastewater sewage discharge, and monthly external sampling and analysis is performed to verify the VLAREM II and III(2) sectorial conditions.

NOISE

Our site has been embedded in the local community for over 90 years and is surrounded by residential areas. As a good corporate citizen, we respect the boundaries with our immediate neighbors and ensure compliance with all applicable noise standards.

As a result of an acoustics analysis, we have erected a noise barrier and have tackled noise-intensive installations, either by replacing them or limiting noise at the source. We address and follow-up on any complaints from neighbors and are committed to finding new solutions based on their input and feedback. In 2019, for instance, fork-lift trucks were equipped with a new visual warning system replacing the acoustic warning signal that is activated when trucks run in reverse. In 2020, the new factory hall for our state-of-the-art new melting facilities was designed and built to minimize noise disturbance.

HAZARDOUS MATERIALS AND WASTE

In order to manufacture high-quality products in aluminum, copper and their alloys, Lamifil does use some hazardous materials such as chemicals. As a consequence, we are subject to EU REACH regulations governing the registration, evaluation, authorization and restriction of these chemicals. Lamifil continues to mitigate the risks posed by chemicals for human health and the environment. We have company-wide work processes in place to ensure effective labeling, storing, handling, and transporting of such hazardous goods.

Lamifil has also set up an extensive policy to manage waste resulting from its manufacturing process. We are continuously optimizing our processes and introducing innovative technologies to reduce, recycle or reuse waste. This includes a comprehensive waste stream separation system aimed at maximizing valorization and recycling of waste. We work with authorized collectors and processors to remove hazardous goods and waste systematically and safely from our production site.



CIRCULAR APPROACH AND RECYCLING

We support a circular approach to product development and manufacturing. This is not only reflected in the way we design our products, but also the mechanisms we have in place to **reuse and recycle** materials throughout the product lifecycle.

As we mentioned in the previous chapter, aluminum is a very recyclable material and its scrap and production waste can be easily recovered for re-use in production. Today, around 75% of our own generated aluminum scrap is re-used in our production. This represents up to 10% of the total molten aluminum in our production processes. For our copper products used in catenary systems for railway applications, we have set up a take-back and renew program. Customers replacing catenary overhead systems can take advantage of this program to ship old and replaced copper lines back to lamifil or its recycling partner, where the copper can be recycled for use in new products.

RECYCLED OWN ALUMINIUM METAL WASTE FOR RE-USE IN PRODUCTION (AS % OF TOTAL MOLTEN ALUMINIUM)



“ We work together with our customers to determine the most efficient and environmentally-friendly packaging solution. ”

We work together with our clients to determine the most efficient and environmentally friendly **packaging** solution. Efficient packaging reduces weight, volume and transportation impact. The drums we currently use are either made of FSC certified wood or sustainable metal and are systematically re-used thanks to our return policy. Many of our customers using proprietary packaging follow the same principle. It is our aim to maximize the use of re-usable steel packing in the near future.

Our circular approach not only applies to our manufacturing activities but can also be found, for example, in the progress we are making towards a paperless office, recycling paper, cardboard, plastic, metal bottles, cans, and biological waste originating from our offices and plant.

(1) EBO program: the Energy Policy Agreements as introduced by the Flemish Government in 2014 to establish sustainable energy efficiency for industrial companies in Flanders. <https://ebo-vlaanderen.be/nl>

(2) Flemish Environmental Legislation





CONNECTING WITH EACH OTHER BY INCREASING WELLBEING & SAFETY

OUR GOALS

- > Increase the wellbeing and safety for our employees
- > Offer equal and fair employment and opportunities to grow



PEOPLE AT THE CENTER OF EVERYTHING WE DO

If we want to succeed in realizing our goals, our mission and vision, we must build and nurture a culture and working environment that puts people first and embraces diversity. A culture in which our employees can fully adopt their pivotal role with autonomy, while working together safely and sharing knowledge. Our values of 'zeal, 'an open mind, 'connectedness' and 'respect' form the foundations for that environment. By interacting with our employees and committing to a shared purpose, we can become a truly sustainable company.

As our business activity mainly involves industrial manufacturing, it goes without saying that our employees, their safety and their wellbeing are at the very core of everything we do. For this reason, we have invested in a well-structured approach and plan, called **Safe2Connect**, to help us effectively build a long-term and deep-rooted culture of safety and wellbeing, covering technical safety, awareness, incident and risk management as well as leadership, communication and teamwork.



SAFE2CONNECT: OUR PLAN FOR SUSTAINABLE SAFETY AND WELLBEING

EMBEDDED IN OUR STRATEGY

Safety is and remains our first priority. It is a necessary condition for establishing our company's connection with the future. In 2019, we stepped up our efforts to formalize and streamline our approach to safety within the framework of our strategy. Based on a comprehensive assessment of our existing safety culture, we defined a clear vision, goals and actions over a four-year horizon. This plan goes by the name, Safe2Connect. "Safe" refers both to safety or 'working safely' and 'feeling safe' or 'well' at work. Feeling safe to connect with others, to address each other and encourage dialogue.

Safe2Connect is a **collective and long-term effort** with goals and expectations we will continue to evaluate and act upon. For each of the objectives of our safety policy we have drafted a detailed plan outlining concrete actions and milestones up to 2024.



“Safe2Connect’ is our approach and plan to effectively build a long-term and deep-rooted culture of safety and wellbeing”

OUR PROGRESS

The objectives of our vision on safety and wellbeing have been translated into **four policy spearheads**, each with their own goals and actions. Since the launch in 2019, we have made significant progress in realizing these goals.

Spearheads	Key actions taken	How we rate our annual progress
Teams that work together, share knowledge and transcend goals	<ul style="list-style-type: none"> > Concrete objectives have been set at company and departmental level > Numerous actions have been taken to improve interdepartmental collaboration including production, HR, product development, logistics, etc. > Consultation platforms have been assessed and improved > A campaign has been launched to improve meeting efficiency and etiquette > Uniform information corners have been introduced on the factory floor > The use of toolboxes is being expanded > A management of change (MOC) procedure has been developed 	
A culture of appreciation and responsibility	<ul style="list-style-type: none"> > Department heads, foremen and management team have received intensive coaching > Competences and skills have been reviewed and included in job descriptions > Our company values have been introduced as a parameter for applicant assessments > Important steps have been taken to improve training based on work instructions and task lists 	
An environment in which we work safely and feel safe	<ul style="list-style-type: none"> > Significant progress has been made to improve order and tidiness in factory departments > Continuous enhancements and the automation of certain equipment have advanced workplace safety and ergonomics in all departments > A new preventative maintenance plan has been rolled out > Brand-new melting facilities with automated loading, stirring and semi-automated dedrossing and cleaning, elevate employee ergonomics and safety > Campaigns have been launched to increase awareness regarding occupational accidents and tidiness 	
Procedures that we all support and strictly follow	<ul style="list-style-type: none"> > A 'Lock Out Tag Out' procedure has been introduced for safer maintenance in several departments > New guidelines have been rolled out to evaluate safe driving of forklift trucks > Procedures for Task Risk Analyses are being implemented on new and improved machines. 	

OUR OWN BEHAVIOR IS KEY

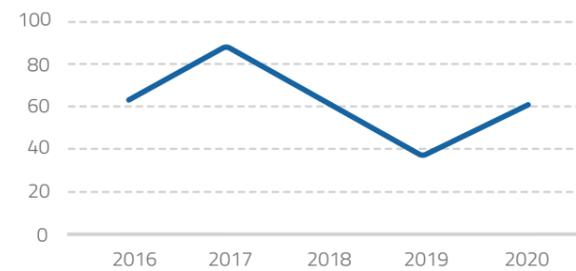
Our own behavior is vital to the success of our safety approach. Consequently, we have clearly defined what kind of behavior we expect from everyone in our company, which behavior needs adjusting and which conduct cannot be tolerated. This desired behavior ties into our company values.

REDUCING ACCIDENT FREQUENCY (LTIF) AND SEVERITY (LTIS)

Since 2018, Lamifil has managed to reduce the severity rate of occupational accidents by 73%. Unfortunately, in 2020 we were not able to maintain the positive trend of accident frequency that had been decreasing since 2017. Our overall rates with regards to occupational safety are not on par with industry standards. By continuing to invest in our Safe2Connect plan, we have set a clear goal to improve our performance considerably in the years to come. Among others, we will continue to focus on machine safety, safety procedures, awareness and behavior.

A framework or **balance of consequence** has been designed to define how exactly we stimulate, acknowledge and reward desired behavior, as well as how we correct or sanction undesired behavior. It is up to our management and employees to all act consistently and responsibly in order to protect and increase safety and wellbeing at Lamifil.

LTIF



LTIS



AN INTEGRATED APPROACH

All our activities and measures concerning health, safety and wellbeing, including Safe2Connect, are governed by our overall **EHSQ** (Environment, Health, Safety and Quality) **Management System**. We have implemented and continue to operate this system according to **ISO45001**, the international standard for occupational health and safety. Our EHS department coordinates all activities related to the mitigation of factors that are harmful or pose a danger to the physical and mental health and wellbeing of our employees.

Our safety policy is defined and executed in consultation with our employees. In order to support their input and participation, we appeal to a special **Committee on Prevention and Protection at Work** (CPBW) which includes employer and employee representation. Apart from the CPBW, there are several active steering committees that manage specific health and safety programs and projects, all reporting to the management team. A dedicated steering committee has been set up to oversee our Safe2Connect program. We continuously monitor and evaluate our progress through the Year Action Plan, Global Prevention Plan and Safe2Connect action plan dashboard and KPI's.

PROTECTING CUSTOMER AND CONTRACTOR HEALTH AND SAFETY

As safety is not the sole prerogative of our own employees, our integrated approach extends to our customers and partners as well. Our **products** are manufactured in such a way that they can be transported, installed and operated safely and handling instructions are provided whenever needed.

For our finished products including our high-end overhead conductors, we have developed a range of **support services**.

We provide theoretical and practical installation **training** for rigging crews on features specific to HTLS conductors. During installation, our experts remain present on site to advise on the specific installation procedures applicable to our products.

In addition, we have developed a framework for **safe collaboration with our partners** and project contractors on our production site, including a Safety Contractor Checklist and a Contractors Health and Safety Assessment Scheme.



WORKING AT LAMIFIL

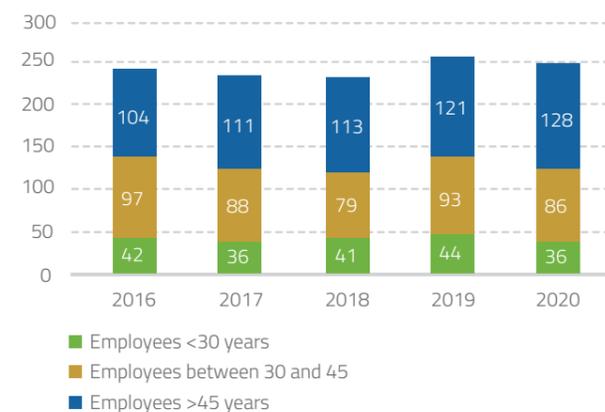
During our 90 years of operations, we have always valued and nurtured a company culture of **commitment and connectedness**, knowing that as a strong team we can accomplish so much more. As one of the largest local employers in Hemiksem, where our headquarters are located, we have a lot to offer for people from all walks of life. Whether they have just started their careers, are highly educated, over 50 or just have a knack for technology and creativity.

As well as ample opportunities to learn, move up or shift sideways, we offer a flexible working environment of human proportions, allowing our employees to maintain a healthy work-life balance. The current annual retention rate of 91% and an average of **12 years of seniority** reflect this. All the employees on our payroll have a permanent contract. Over the last 5 years, our average retention rate was 89% and our voluntary leaver rate was 4,77%.

VOLUNTARY LEAVERS RATIO % OF ALL EMPLOYEES



AGE SPLIT EMPLOYEES - EVOLUTION



“ 91% employee retention rate in 2020 ”

THE ANNUAL SAINT ELIGIUS CELEBRATION

Every year, all Lamifil employees are given a day off to celebrate, together with former employees, the patron saint of metalworkers Saint Eligius. This tradition dates back to the early years of our company. In the 1960s and 1970s, the celebrations included a large fanfare of company employees marching through all of the factory departments.



POLICY FOCUSED ON INCLUSION AND RESPECT

Alongside the initiatives we take related to **prevention, risk management and machine safety**, our policy focuses on the **physical and mental wellbeing** of our employees. Improving ergonomics, stimulating communication, teamwork and autonomy, we strive to include everyone in our vision, strategy and constant improvements. We provide an external counselling service which offers discrete support for employees in case of psychosocial issues, including social conflicts or individual stress.

Our human resources policy complies with local government and collective labor agreements, as well as recommendations as defined by the International Labor Organization. Lamifil is committed to protecting human rights and privacy, treating each and every individual with **respect** regardless of their social, cultural or religious background or preference, race, opinion, gender or sexual orientation. We select and employ people solely on the basis of their **skills, competencies** and attitude to fulfil their role within our organization. All of our employees commit to our guidelines, procedures and regulations as outlined in our Code of Conduct, which they receive and agree upon when working for Lamifil.

FORGING A GROWING TEAM OF DIVERSE PEOPLE

From our earliest beginnings almost a century ago, Lamifil has not only been forging technology, innovation and mastery into smart products. As a true melting pot, we have been forging a team of individuals from different nationalities, cultural backgrounds, ages, opinions, convictions and genders that strive towards one goal: bringing connections to life.

Today, we employ **250 people** in Belgium from **10 nationalities**. And while our production activity is predominantly populated by males, the **gender diversity ratio in key leadership roles is at 33%** today, with female managers heading up commercial and technology departments.

EMPLOYEES BY GENDER



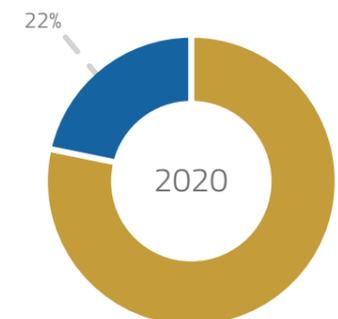
SUSTAINABLE EMPLOYEE MOBILITY

Knowing that increasing traffic and decreasing mobility are key global environmental issues, we work on sustainable mobility as part of our strategy.

One of Lamifil's strengths is the accessibility of its main production site in Hemiksem for employees. A proposal initiated by our own employees led to the introduction of a **bicycle lease plan** in 2019. Combined with a financial benefit, this initiative offers our employees the stimulus to lead a healthier lifestyle and respect the environment. Today, more than one out of every five employees leases a bicycle thanks to this program.

In addition, we are progressively improving the eco performance of our company car fleet by encouraging choices in favor of **hybrid and electric technology** and providing free car charging on our site. At the same time, COVID-19 has accelerated our intention to restrict corporate travel to a minimum and to promote digital meetings as a general practice.

EMPLOYEES USING BICYCLE LEASE PLAN



ENGAGING OUR INTERNAL STAKEHOLDERS

Connecting with each other implies a healthy degree of **communication and interaction**. We have therefore established key structures and mechanisms that facilitate communication and foster participation amongst our internal stakeholders. Our entire workforce receives regular updates from the CEO and management on company strategy and key initiatives during quarterly information sessions and via a cascaded set-up of weekly, bi-weekly and monthly (inter)departmental and team meetings.

MANAGING TALENT AND EXPERTISE

Our people are the engine of our company. How they are able to develop as people and as experts in their jobs is an important driver of our success. We therefore offer them the opportunity to improve their job specific competencies and skills via internal and external **training and workshops**. Our training program includes **technical** and **safety** competencies as well as soft and **leadership** skills. On average, our employees spent 65 hours on formal and informal training in 2020.



In support of Safe2Connect, our plan for sustainable safety, we provide **100 days of intensive coaching** in the workplace by a specialized company. A dedicated coach supports the implementation of our plan on site through custom interventions tailored to the needs of every department.

REMUNERATION AND BENEFITS

Lamifil strives to remain a fair and desirable employer offering a competitive remuneration package in line with market standards, with attractive fringe benefits. Employee benefits include healthcare and pension plans, labor accident disability coverage, paid leave, several financial grants, bicycle leasing, meal and gift vouchers, extra holidays based on seniority and company festivities including a Family Day and the Saint Eligius celebration (see above). In addition, employees can benefit from the company's success through a ROCE (Return on Capital Employed) bonus depending on the financial results of the previous fiscal year and upon approval by the Board.

A VOICE WITHIN OUR COMPANY

As an open-minded company, we value constant dialogue with our employees. They can provide feedback and input directly and at any time through both informal and formal channels within our organization. They are represented by delegates through the Works Council, **the Committee for Prevention and Protection at Work and the trade union delegation**.





CONNECTING WITH OUR ENVIRONMENT AS A CORPORATE CITIZEN

OUR GOALS

- > Respecting and supporting our local neighborhood
- > Contributing to a better society as a responsible corporate citizen
- > Upholding ethical business practices and good corporate governance



CHERISHING OUR RICH LOCAL HERITAGE

Lamifil is part of a valuable community. And as such, we are committed to assuming the responsibility that entails. As a global player, we have been deeply rooted in Hemiksem, Belgium for over 90 years. We cherish and continue to write this **rich local heritage**. Responsible local corporate citizenship and anchoring are therefore essential pillars of our future strategy.

In a globalized and digitized world, the environment in which we operate extends beyond the boundaries of our local sites and their surroundings. We aim to maintain **open dialogue** with all our stakeholders, whether they live around the corner, work at Lamifil or do business with us in another part of the world.

RESPECTING OUR NEIGHBORHOOD

Lamifil's production site has been part of the Hemiksem locality since the early 20th century. Generations of locals have grown up with Lamifil as their neighbor and we are grateful for that legacy. Our longstanding privilege of being able to develop our activities in Hemiksem drives our vigilance to **minimize any risk of disturbing or burdening the local environment**. Our commitment to that effect needs to be as important as the efforts we make to manufacture sustainable products in eco-efficient ways, while building a culture of wellbeing and safety for our employees.

In chapter 2 we outlined our approach and initiatives to manage and reduce air, soil, water and noise emissions that may affect our immediate neighbors. We commit to keeping them informed proactively about our activities and developments via direct communication and our contacts with the municipal administration. We handle and follow-up on inquiries and complaints through a dedicated contact point and reporting system.

ANCHORING AND CONTRIBUTING TO THE LOCAL COMMUNITY

One of our time-honored commitments to local anchoring concerns our continued strategic and operational investments in our production site. They not only allow us to remain competitive and strengthen our market position. They enable us to generate employment for over 250 people in diverse functions such as operators, lab and other technicians, engineers, commercial, and administrative talents.

In 2020, we attracted 32 new talented individuals, the vast majority of whom live in the vicinity of our site. In fact, about **80 per cent of our workforce lives within a 12-mile radius** of our production site. As one of the largest local employers, it is our key goal and responsibility to continue to support local employment and reinforce our organization with young and experienced talent from within the region.

“ About 80 per cent of our workforce lives within a 12-mile radius of our production site ”

OVERVIEW OF LOCAL SPONSORSHIP ACTIVITIES

Public services	Community of Hemiksem
	Hemiksem Fire department
Sports	Hellvoc volleyball team
	Schelle Sport soccer team
Culture	Harmonie Verenigde Vrienden (music)
	Gilliot & Roelants tile museum
Charity	Recreas Hemiksem, Tochtgenoten (kansarmoede)

Lamifil has been a household name in Hemiksem for generations. Since 1929 our company, and notably our employees, have brought color to the community and its customs, introducing new facets to folklore and gracing social life. And even if social and working habits have changed a lot over the years, Lamifil continues to **connect with the local community by supporting and sponsoring various local activities** related to sports, culture and charity.

NEW PURPOSE FOR AN ABANDONED SCHOOL SITE

As one of the oldest industrial inhabitants, Lamifil has had the privilege of seeing the town of Hemiksem evolve into the tranquil and blooming community south of the port city of Antwerp that it is today. Hemiksem's mission is to be a healthy and flourishing community *in a pleasant living environment offering opportunities to inhabitants to develop while being committed to the wellbeing of all residents within a spirit of solidarity.*

Part of the city council's approach to realize its mission is to develop a new vision for the zone surrounding Lamifil, including the old abandoned school site in the adjacent Bouwerij Street. The empty school building and terrain have been a nuisance for local residents. It has been subjected to vandalism, dilapidation and squattings since it was vacated over 20 years ago.

Lamifil took the opportunity to acquire the school grounds and buildings in 2018. In 2020 Lamifil joined forces with the council to get rid of one of Hemiksem's last remaining problem areas, ordering the safe demolition and clearing of the abandoned site.

Meanwhile, the city council is preparing a spatial plan to change the destination of the site to SME and buffering zone, while integrating current residents.

In the mid-term it is Lamifil's goal to put part of the land into operation in order to develop a new logistics platform. This would greatly increase the efficiency of our inbound and outbound traffic. These developments align with our future strategy to create sustainable growth, increase local anchoring and stimulate employment.



UNITING WITH STAKEHOLDERS TO LEVERAGE KNOWLEDGE

95% of our products are exported to **over 75 countries around the globe**. Lamifil is proud to represent Flanders and Belgium on the global, by contributing to a future in which technology and innovation create welfare and wellbeing. In order to widen our scope, contribute and gain in-depth insights on innovation and sustainable development, we seek active **collaboration** with our economic **peers, policymakers** and other **stakeholders** via platforms and associations on different levels.

As a member of the Union of Industrial Companies Hemiksem, we combine our voice with 28 other local companies to represent the largest economic activity in the community and liaise with the local municipal administration. Being a member of Flanders' Chambers of Commerce and Industry (Voka) connects us with over 18,000 regional businesses representing 65% of the private employment and 70% of the added value in Flanders and Brussels. Through our membership of Belgium's national technology federation, Agoria, we can leverage valuable industry know-how and network expertise to shape our strategy and policies further.

OVERVIEW OF LAMIFIL'S STAKEHOLDER APPROACH

Lamifil is a privately owned company with the Belgian-based Koramic Holding as reference shareholder, owning 90% of the shares. The other shares are held by many smaller parties. The Board of Directors consists of Directors appointed by the reference shareholder and independent Directors.

Lamifil has contacts with a variety of stakeholders including our own employees, private shareholders, public authorities and administrations, civil society organizations, customers and partners. Our stakeholder approach is managed by our communications department and the corporate management team.

The table lists our key initiatives, frequency and means we use to engage with our main stakeholders.

Stakeholders	Means/channels of engagement	Frequency
Employees Management, employees, unions	Townhall meetings	Quarterly/ad hoc
	Events	Regular
	Performance management	Regular
	Intranet platform	Continuous
	Wellbeing/safety survey	Ad hoc
	Works council	Monthly
Customers	Customer satisfaction survey	Annually
	E-Newsletters	Regular
	Social media	Regular
	Market research	Ad hoc
	Direct engagement	Continuous
Society Media, NGOs, community organizations, academic world, interest groups, industry	Sponsoring (sports, culture, charity)	Regular
	Association membership and participation	Continuous
	Direct engagement	Continuous
	Press communication	Regular
	Speaking opportunities	Ad hoc
	Website & social media	Regular
Shareholders	Shareholder meeting	Annually
Partners Suppliers, contractors, financial institutions	Direct engagement	Continuous
	Evaluation	Annually/Ad hoc
	Industry events & forums	Regular
Industry organizations & regulators	Meetings & briefings	Regular
	ISO inspections	Annually
	ISO audits	According to ISO requirements
	Direct engagement	Continuous
Public & local authorities National & Flemish government/ Mayor & city council (Hemiksem)	Industry and trade organisations/ Direct engagement	Regular/ Ad hoc

ETHICAL BUSINESS PRACTICES

Our **reputation** is our license to operate and the key to conducting a sustainable business. As a company we aim to uphold and work according to the **highest ethical standards** and levels of **integrity**, while strictly working within legal boundaries and regulations. Our very mission, vision and company values reflect our clear stance on sustainable ethical behavior.

We have a formal ethical policy in place based on Flemish, Belgian and European legislation. Lamifil has grouped all necessary measures within a management system in order to continuously manage policy compliance. Every employee is expected to be familiar with our ethical code and policy and to adhere to them.

ANTI-CORRUPTION AND BRIBERY

Lamifil personnel, in their relation with suppliers and customers, are forbidden to accept or give gifts or presents that clearly are or even only tend towards bribery or corruption. When consistent with normal rules of hospitality and common business and marketing practice, small and non-excessive gifts or entertainment can be provided to customers or business partners. We have measures in place to **prevent corruption and bribery and to raise awareness** among employees. Any form of corruption or bribery that our employees encounter will be raised through a whistleblower procedure and investigated. In recent years, we reported no incidents or cases of bribery or corruption. Doing business around the world, we keep abreast of new developments and best practices in the field of anti-corruption and bribery and consult the anti-corruption guidelines provided by the Belgian Ministry of Foreign Affairs, the UN and the OECD, among others.

HUMAN RIGHTS AND LABOR CONDITIONS

Lamifil conducts its business, recruitment and employment practices with **full respect for the human rights** of anyone involved in our activities, regardless of different cultures and backgrounds. We encourage our business partners and customers to do the same. We make no distinction between people based on age, ethnicity, gender, color, religion, sexual orientation or political belief. We fulfil all legislative requirements and provide the means and consulting bodies to guarantee freedom of association and the right to collective bargaining.

It is self-evident that Lamifil does not tolerate child or forced labor, corporal punishment, mental or physical coercion or verbal abuse. We follow Belgian legislation strictly with regards to discrimination or sexual harassment and provide all necessary means to detect and avoid infringements.

As described in chapter 3, we have an **EHSQ** (Environmental, Health, Safety and Quality) policy in place for our employees. Our **Safe2Connect** program is a comprehensive roadmap leading us to a sustainable culture where people can work safely and feel safe.

Our people receive **fair, transparent and competitive wages** that are not subject to disciplinary deductions as well as a range of **benefits** including financial premiums, pension and medical insurance. Regulation concerning overtime is organized by law and described in a collective labor agreement.

HONEST COMMERCIAL PRACTICES

Lamifil is known for its **high-quality** products and flexible services. We strive to deliver these products and services consistently to the standards that were agreed upon or in excess of them.

We never conduct business that may violate competition or antitrust laws, damage our competitors' reputation or interfere with their business relationships. Our employees will avoid conflicts of interests with our customers, business partners, other employees or third parties.

INFORMATION SECURITY AND DATA PRIVACY

Lamifil is subject to Europe's **General Data Protection Regulation** (GDPR), regarding the collection and processing of EU-inhabitants' personal data. In compliance with GDPR, we guarantee an appropriate level of data security with measures to protect data from unauthorized access or disclosure.

We take adequate measures to gain consent regarding the processing, sharing and retention of confidential information. We only collect and process data that is necessary or relevant and do not keep them longer than required. We endeavor to keep all data up to date.

CORPORATE GOVERNANCE

As with many other Belgian companies, Lamifil follows a code of conduct for corporate governance. There is a mandatory code for listed companies - The Belgian corporate governance code - and an advisory for unlisted companies known as **Code Buisse**. Both codes of conduct are coordinated by the Belgian Corporate Governance Commission, which is part of the European Corporate Governance Codes Network (ECGCN).

As a privately owned company, Lamifil adheres to the Code Buisse, which was first introduced in 2005, and was last updated in May 2017 (Code Buisse III) following recent trends and market changes.

Unlisted companies such as Lamifil use this code as a benchmark and guideline to set up, conduct and evaluate good corporate governance and management practices. The authors of the code stipulate that it contains recommendations that every company needs to implement according to its size, industry and character.

The Code Buisse outlines the key principles of good corporate governance, control and risk management. It describes the role, composition and functioning of an active board of directors, defines the main tasks of the CEO and senior management and gives insights on shareholder engagement.





KEY SUSTAINABILITY DATA

In this chapter you will find an overview of the key figures supporting the four pillars of our sustainability approach.

KEY FIGURES

Environmental data	Unit	2016	2017	2018	2019	2020
Total CO ₂ emission	tonne	17.774	16.341	16.618	19.215	17.111
of which natural gas	tonne	8.470	8.027	8.923	10.772	9.531
of which electricity	tonne	9.024	8.063	7.444	8.161	7.321
of which LPG	tonne	280	251	251	282	259
Recycled aluminium metal waste for re-use in production (in % of total molten aluminum)	%	9,8%	10,0%	10,4%	11,8%	10,1%
Health & safety data (1)	Unit	2016	2017	2018	2019	2020
Lost time injury frequency rate	LTIF	63,00	89,00	64,00	37,00	60,00
Lost time injury severity rate	LTIS	2,23	3,01	3,37	1,69	0,91
Workforce data (2)	Unit	2016	2017	2018	2019	2020
Employees men	#	230	223	220	243	237
Employees women	#	13	12	13	15	13
Total # of employees	#	243	235	233	258	250
Number of nationalities	#	10	7	8	9	10
Employees < 30 years	#	42	36	41	44	36
Employees between 30 and 45	#	97	88	79	93	86
Employees > 45	#	104	111	113	121	128
% women of employees	%	5,35	5,11	5,58	5,81	5,2
% blue collars of employees	%	76,13	75,32	72,53	73,26	74
% white collars of employees	%	23,87	24,68	27,47	26,74	26
Voluntary leavers ratio % of employees	%	2,47	6,81	4,72	5,43	4,4
Sub-contracted employees (3)	%	6,54	2,89	8,27	9,47	2,34
Average training hours/ employee	#hours	69,30	50,96	33,51	76,10	64,55

(1) Lost time injury frequency rate includes subcontracted employees, excludes contractors. lost time injury severity rate excludes subcontracted employees and contractors

(2) Workforce data: Data based on the number of employees on Lamifil payroll. Numbers includes part-time employees but excludes employees on long-term illness and sub-contracted employees.

(3) Subcontracted employees: % of employees that are subcontracted vs total Lamifil workforce + number of subcontracted employees





ABOUT LAMIFIL

Lamifil forges 90 years of technology, innovation and mastery into smart wires that bring connections to life. Today, Lamifil is one of the world's leading manufacturers of high-end cables, wires and wire-based products in copper, aluminum, and their alloys. We help supply energy to millions of people via high-tech overhead conductors.

Our catenary wires make trains run more efficiently in dozens of countries. Our innovative alloys are used in superior semi-finished products for the steel, automotive, aviation, aerospace, and consumer products industries. Lamifil has production sites in Hemiksem (Belgium), close to the port of Antwerp, and in Uglich (Russia).

ABOUT THIS REPORT

This report provides information about Lamifil's approach and initiatives to contribute to a sustainable future, reduce its environmental impact, and provide added value to its key stakeholders – including employees, customers, partners, and shareholders – and society at large. As such, the report highlights how sustainability is embedded in all aspects of our business and is supported by our growth strategy and significant investments.

The sustainability report has been prepared on a voluntary basis according to best practices. It is based on the most recent and accurate data found relevant for the report. Reporting about recent annual data covers the period from 1 January 2020 to 31 December 2020. Lamifil intends to provide annual updates on its sustainability performance.

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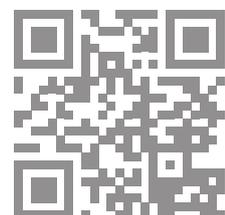
Bringing connections to life



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