



# SUSTAINABILITY REPORT 2022



Bringing connections to life

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# INTRODUCTION

# MESSAGE FROM THE CEO AND THE CHAIRMAN

2021 was a challenging year, with COVID-19 having a profound impact on people's lives around the world. Among the economic repercussions of the pandemic, the rising prices for energy, raw materials and transport could be felt. At the same time, companies had to deal with strong fluctuations in their human resource capacity due to COVID-19 infections.

Even though Lamifil has not come off unscathed by the pandemic, we have continued to take thorough measures to safeguard the wellbeing of our employees and to ensure the continuity of supply by anticipating changing market dynamics.

In the face of the pandemic, Lamifil has continued to focus on sustainability. Some of the key steps we have taken:

- > **We commissioned our new energy-efficient and CO<sub>2</sub> saving aluminum casting and melting facilities. They will reduce carbon emissions resulting from our wire rod production by 25%. We started a feasibility study for the installation of heat exchangers to recover the heat from the chimneys of the newly installed aluminum ovens.**
- > **We appointed and trained environmental ambassadors in every department in order to bolster our sustainable environment and waste management.**
- > **We installed a charging station for electric and hybrid cars on the Lamifil site. We entered the engineering phase of a new project to install a 3GW solar park.**
- > **We developed new products and alloys that show great potential for reducing CO<sub>2</sub> emissions in the energy sector, public transportation, and manufacturing.**

*“ Our new energy-efficient and CO<sub>2</sub> saving aluminum casting and melting facilities will reduce carbon emissions resulting from our wire rod production by 25%. ”*

In times of crisis, it is essential that we keep all stakeholders informed. That is why we organized several formal information sessions throughout 2021 for our shareholders, employees, customers, delegates, local and provincial authorities, and others.

After a thorough analysis by two independent experts, new actions have been defined in the field of safety and we are rolling out additional initiatives to decrease the risk of incidents. Safety remains one of the cornerstones within our global sustainability approach.

We understand we need to work more efficiently and be more focused to attain our objectives. Nevertheless, we look to the future with confidence. By working together respectfully, positively, and effectively, we can realize growth both sustainably and safely.

In this second sustainability report, we present an update of our approach and the key initiatives we have taken and continue to take in order to reduce our impact on the environment while creating value for our stakeholders and society at large.

Filip Goris  
CEO

Olaf Sterkenburg  
Chairman



# 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, and cities as parts of a greater whole**. We build connections with our customers and business partners and between colleagues. We create possibilities to exchange physical or human energy and for people, businesses and things to come together.

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 acquired over 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 surpass 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 bring down 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.”**

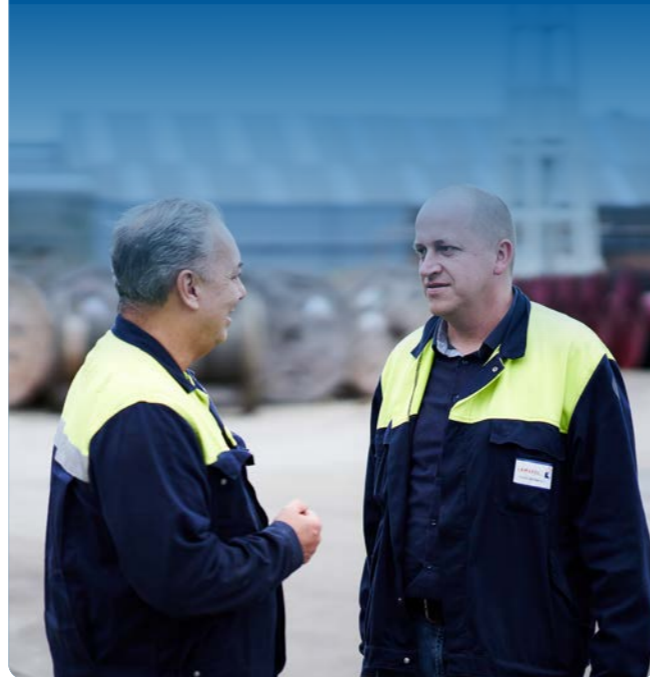
Our vision expresses our belief that companies such as ours need to continue to create sustainable added value for society. This implies that the products, services and technology we offer need to **advance people and communities**. By providing them energy in a sustainable way or by ensuring that they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

## OUR PROMISE: BRINGING CONNECTIONS TO LIFE

It is important that we share and disseminate our company DNA, our story and ambitions, our promise to the world, and how we want to be different among all our stakeholders. The platform to make that possible is our renewed strategic brand positioning and identity, which defines the way that we communicate, act, and want to be recognized.

Our new message and strategy clearly and unequivocally resonate in our brand promise: **‘Bringing connections to life’**. Together with our modernized visual language and logo, this promise runs through all our communications with customers, current and future employees, and other stakeholders.



## 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 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 EACH OTHER

The third pillar, **‘Connecting with each other’** represents the way in which our employees work together to **improve wellbeing, safety, and productivity**. As a foundation for this pillar, we are implementing a long-term safety plan and approach; one which is embedded in our value-driven organization and culture, while clearly focussing on openness, leadership, education, and communication.

### CONNECTING WITH THE ENVIRONMENT

Our 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 way possible.





# 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**, we are convinced we can make a genuine difference. 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 its 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 an impact.

At present, 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)
- > Climate Action (SDG 13)

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.

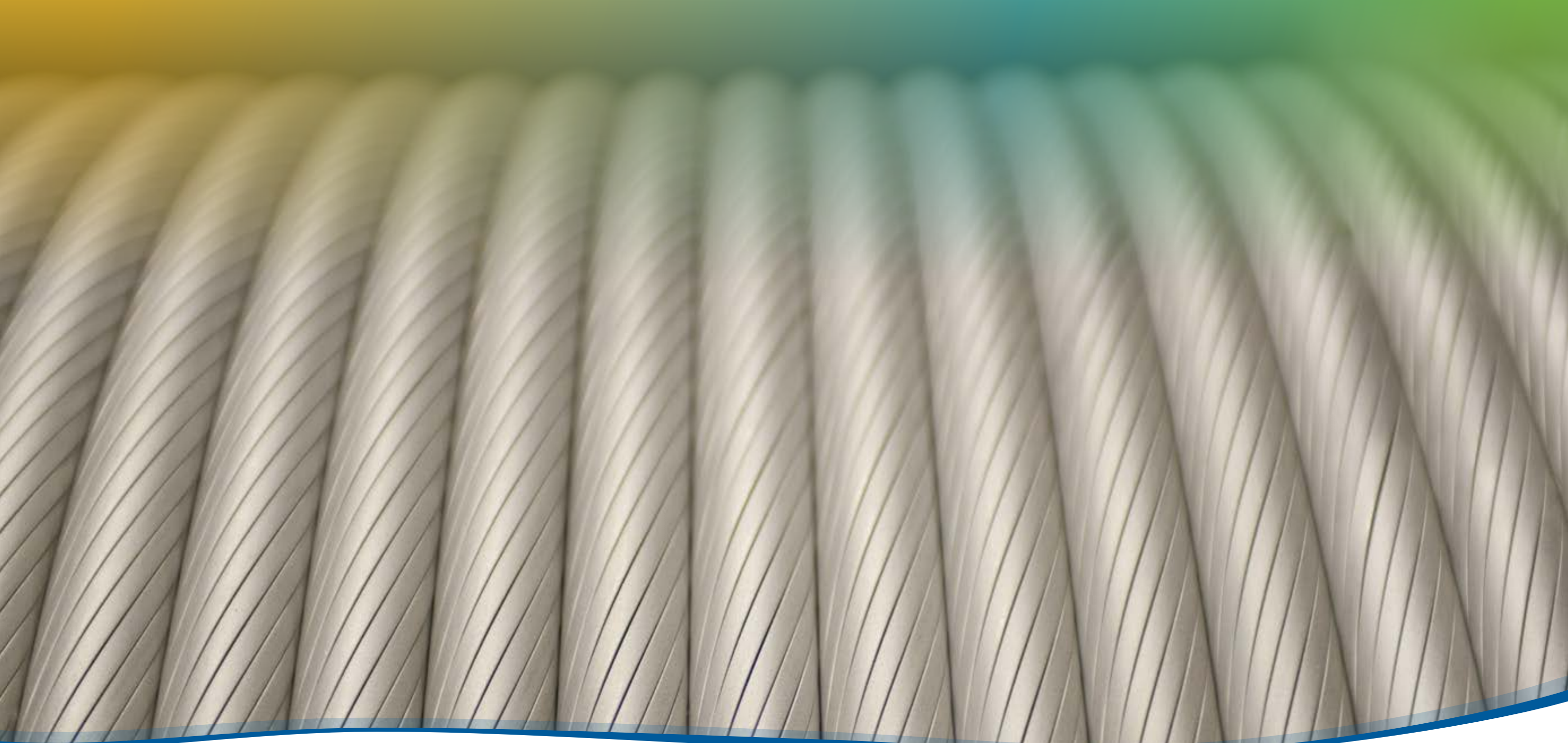
Our growth path has been laid out. Proud of our heritage, open to the present and confident about the future, we are ready to write a new chapter.



# SUSTAINABLE DEVELOPMENT GOALS





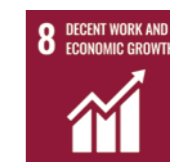


# CONNECTING WITH OUR CUSTOMERS VIA SUSTAINABLE PRODUCTS

## OUR GOALS

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

## SDGs





# TRANSFORMING THE WAY WE GENERATE, TRANSPORT, AND USE ENERGY

Climate change poses one of the biggest threats to the world. Since the industrial revolution in the 19th century, human activities have generated massive greenhouse gas emissions causing temperatures to rise and disrupting our climate.



*“ We focus on innovative copper and aluminum alloy products to replace outdated and less sustainable technologies. ”*

In order to turn the tide, nations and even entire continents have set aspiring goals. In 2020, the European Commission Green Deal set a new objective to reduce its carbon footprint by 55% by the year 2030 (1). The United States has confirmed its aim to create a carbon pollution-free power sector by 2035 and a net-zero-emissions economy by 2050 (2).

The energy industry is responsible for almost three-quarters of emissions and global demand for energy is estimated to grow by nearly 50% between 2020 and 2050 (3). It is clear that transforming the way we generate, transport, and use energy must form the cornerstone of the global approach to climate change.

At Lamifil, we believe that we can play a vital role in this crucial quest. First and foremost, by focusing on research, development, and the production of innovative copper and aluminum alloy products to replace outdated and less sustainable technologies.

Secondly, by helping our customers make their products and processes more sustainable by minimizing CO<sub>2</sub> emissions, boosting their energy efficiency, and reducing waste and the consumption of raw materials.

## HIGH QUALITY PRODUCTS IN COPPER AND ALUMINUM ALLOYS

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. Our aluminum product offer includes advanced overhead conductors as well as rolled, drawn, and extruded aluminum alloy wires and profiles on coil for electrical and mechanical applications. We recently **transformed our aluminum melting facilities** in Belgium from the ground up using a unique **eco-efficient production** process and state-of-the-art equipment.

In addition to 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 the in-house design, manufacturing, quality control, and supply of wire rod, drawn wires, bunched, and stranded conductors and surface-treated wires.

## EFFICIENT ENERGY TRANSMISSION AND DISTRIBUTION WITH ADVANCED OVERHEAD CONDUCTORS

### A HUGE OPPORTUNITY FOR CHANGE

It is estimated that losses due to inefficient electricity transmission and distribution (T&D) are responsible for over one billion metric tons of CO<sub>2</sub> emissions every year (4). Approximately 5% of all electricity generated in the US is lost to inefficiencies in the grid (5). In the European Union, these losses range from 4% to 17% depending on the country (6). Grid inefficiencies can be largely attributed to ageing electrical infrastructure, including old overhead conductors.

In order to achieve the high ambitions to combat climate change, investing in renewable energy will not be enough. Globally, grids need to be modernized and made more robust. A huge opportunity lies in the so-called 'reconducting' of transmission lines. Replacing legacy steel-reinforced overhead conductors with modern and advanced overhead conductors is one of the fastest and most cost-efficient ways to significantly add capacity and reduce line losses, without the need to reinforce or replace existing structures.

## INCREASING CAPACITY AND REDUCING LOSSES

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, these conductors help **address modern energy grid challenges** and secure future energy supply.

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

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**.



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

That is equivalent to the average annual energy consumption of 4,000 European households(7). Which in turn saves around **6,000 tons of CO<sub>2</sub> emissions annually**(8), the equivalent of what **4,000 (7) cars** produce every year.

The **ACCC® Conductor**, for example, which is already used in 52 countries, currently reduces CO<sub>2</sub> emissions by 2.6 million metric tons every year. (9)

“ *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 CO<sub>2</sub> reduction of 6,000 tons.* ”

## ADDRESSING CLIMATIC LOAD IMPACT

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

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, as a way of facing these climatic challenges.

Today, more than 82,000km of our overhead conductors are currently used for energy transmission and distribution in over 75 countries. Our aluminum-based solid conductors are also used in underground and undersea power cables.

## NEXT-GENERATION RAIL ELECTRIFICATION WITH INNOVATIVE ALLOYS

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.

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 CO<sub>2</sub> footprint.

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(10), thus reducing CO<sub>2</sub> and increasing efficiency.

“ *Our PowerFil alloy enables rail operators to reduce CO<sub>2</sub> emissions and run more trains on the same track* ”





# LESS IMPACT IN MANUFACTURING WITH ALUMINUM AND COPPER ALLOY WIRES

From the fine **copper wires** used in wiring harnesses and lightweight aluminum parts for the automotive industry, to the special **aluminum and copper alloys** used in aerospace and consumer applications, our specialty alloy wires are designed to save weight and space and contribute to more efficient and sustainable manufacturing processes and end-products.

## SMALLER AND LIGHTER HIGH-PERFORMANCE CAR COMPONENTS

Did you know that merely replacing steel bolts with aluminum bolts can reduce a car's total weight by 0.5% and energy consumption by 0.3%? Equally spectacular is that replacing a standard pure copper 0.35mm<sup>2</sup> insulated wire for electrical distribution in a C-segment car by a 0.13mm<sup>2</sup> CuMg0.2 alloy wire, could result in 63% volume savings, 43% cost savings, and 59% weight savings. Using a CuMg0,5 0.07mm<sup>2</sup> alloy wire in this case would lead to even higher savings of up to 80% in volume and weight. (8)

### SAVING WEIGHT AND SPACE

In their quest to design and produce more environmentally-friendly products more sustainably, the manufacturing industry is focusing on reducing weight and space. In the aeronautics, automotive, and medical industries, for example, high-strength and high-conductivity copper alloys replace pure copper or less sustainable alloys for very specific applications.

The result is significant savings in volume, weight, and cost as well as reduced CO<sub>2</sub> emissions. Our high-quality aluminum alloy-based semi-finished products, on the other hand, are strong, light, and easier to process, and therefore reduce the environmental impact of our customers' finished products.

### ADVANCING SUSTAINABLE AND EFFICIENT MANUFACTURING PROCESSES

Using state-of-the-art continuous melting and casting facilities, Lamifil produces copper and aluminum wire products in a diverse range of alloys, shapes, and diameters on coil. Longer lengths of product on coil combined with our products' homogenous material properties enable manufacturers to streamline and optimize their processes. Less production downtime, reduced material losses, and improved efficiency all contribute to sustainable manufacturing processes.

# TOWARDS CADMIUM-FREE PRODUCTION

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..



# BUILDING A SUSTAINABLE VALUE CHAIN

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(11) in R&D. In 2021 we allocated 13% of our revenue(11) to R&D and strategic innovation investments. 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**.



*“ Over 5 per cent of our annual revenue (11) is invested in R&D ”*

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.

Together with various industry associations and institutes, we exchange knowledge with a view to accelerating 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.



## SUSTAINABLE SOURCING

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 with local and international laws.

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 aim to 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.



(1) [https://ec.europa.eu/clima/eu-action\\_en](https://ec.europa.eu/clima/eu-action_en), European Union, 2021

(2) FACT SHEET: President Biden Sets 2030 Greenhouse Gas Pollution Reduction Target Aimed at Creating Good-Paying Union Jobs and Securing U.S. Leadership on Clean Energy Technologies, The White House, April 2021

(3) International energy outlook 2021, EIA, October 2021

(4) The climate mitigation opportunity behind global power transmission and distribution," volume 9, pp. 660-665 (2019), Kavita Surana & Sarah M. Jordaan

(5) EIA, 2021

(6) T&D Europe, 2021

(7) Odyssee Mure data, 2018

(8) Lamifil research/calculations

(9) Data CTC Global, 2021

(10) Lamifil lab calculations, PowerFil vs CuCdSn 37x1.80mm wire

(11) Revenue excluding metal



## AT THE FOREFRONT OF COPPER ALLOY INNOVATION

One great outcome of our continued and focused R&D efforts is a whole new range of sustainable chromium-based copper alloys, including our CuCrZr ('PowerFil') and CuCrAgSi alloys. These are finding their way into modern airplanes, advanced robots, and cutting-edge medical devices. They are unique because they can almost compete with pure copper in terms of conductivity and resistivity, but outperform it in terms of strength and flexibility. Because of that, CuCrZr and CuCrAgSi alloys can be drawn to extremely fine wires of up to 0.025mm, while remaining strong and very flexible. This allows our customers to make superior end-products that are smaller and lighter and require significantly less raw material.

Lamifil is the only company using a unique continuous, automated, and stable casting process for these high-performance copper alloys. This process enables us to reduce the transportation footprint by delivering larger lots on coil. It also results in better metal yield, fewer production stops, and less waste and scrap for our customers.





# CONNECTING WITH THE FUTURE THROUGH ECO-EFFICIENT MANUFACTURING

### OUR GOAL

Sustainable manufacturing through innovation and efficiency

### SDGs

7 AFFORDABLE AND CLEAN ENERGY  
11 SUSTAINABLE CITIES AND COMMUNITIES  
12 RESPONSIBLE CONSUMPTION AND PRODUCTION  
13 CLIMATE ACTION



## 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, digitalization, 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 and waste. Our approach towards sustainable manufacturing has a direct and positive impact on reducing the carbon footprint of our own products and those of our customers.

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

## ENERGY AND ENVIRONMENTAL MANAGEMENT

Lamifil’s energy and environmental 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 international **ISO9001, ISO45001, and ISO14001** standards.

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.



Lamifil will also take part in the EBO3 2023-2026 program currently being developed by the government. A new energy and climate audit will result in a new energy plan, which will incorporate a study of the possibilities of heat recovery.

A dedicated energy manager is actively implementing, coordinating, and communicating our energy policy. We have also carried out our own research into improving process efficiency.

Lamifil **reports extensively** on its efforts to manage and reduce its environmental impact. Within the framework of EBO, we compile an energy plan for the Flemish Government which is certified by an independent verification agency. Internal reporting procedures include the Global Prevention Plan 2022-2026, a Year Action Plan, and our environmental coordinator’s Annual Report. In accordance with local government regulations, Lamifil also holds all necessary building and environmental permits. Lamifil collaborates intensively with the regional Environmental Authorities and reports any excess of applicable limit values.

## MAXIMIZING ENERGY EFFICIENCY AND REDUCING OUR ENVIRONMENTAL FOOTPRINT

In 2021, energy consumption at Lamifil totaled 57,257MWh. Our carbon footprint is primarily composed of natural gas (49%), electricity (49%), and LPG (2%). Over the last 5 years, our total CO<sub>2</sub> emissions decreased by 12%.

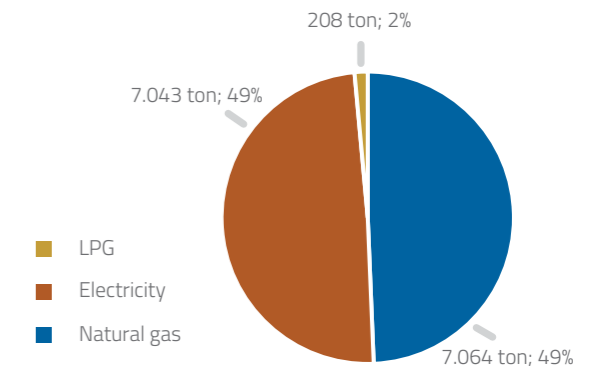
We aim to maximize our energy efficiency in the coming years with energy-saving measures and significant investments in sustainable production. Next to our focus on ongoing actions, we continue to work on a long-term plan.

Reducing our carbon footprint 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 electric motors, and improving insulation to reducing metal melting temperatures, regenerating heat, recovering energy, and introducing entirely new and transformational production systems.

Since the start of the above-mentioned EBO program in 2015, Lamifil has made gradual but significant progress in reducing the CO<sub>2</sub> emissions of our plant, improving our processes, and boosting the efficiency of cooling, heating, and power generation. Reductions in annual CO<sub>2</sub> emissions have improved from 0.21% in 2015 to 7.85% in 2021. Since 2015, 3,400 cumulative tons of CO<sub>2</sub> have been saved.

A literally ground-breaking and catalyzing project in the context of Lamifil’s sustainability goals is the introduction in 2021 of a unique eco-efficient production process for aluminum, using state-of-the-art new casting and melting facilities. This new process will allow us to **decrease our total natural gas consumption by 20%** and significantly lower CO<sub>2</sub> emissions and losses at Lamifil’s cast house facilities. By the year 2025, these improvements will be responsible for an additional cumulative CO<sub>2</sub> reduction of over 3,300 tons.

CO<sub>2</sub> EMISSIONS BY SOURCE 2021

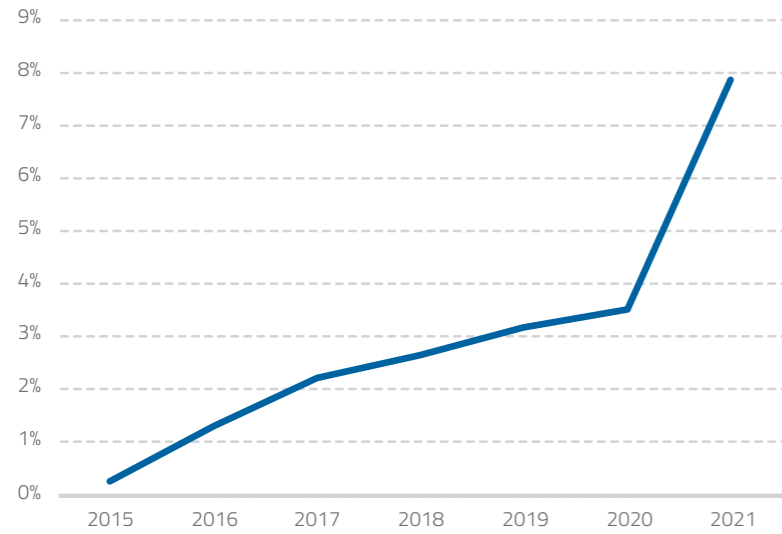


“ *Since 2015, 3,400 cumulative tons of CO<sub>2</sub> have been saved.* ”

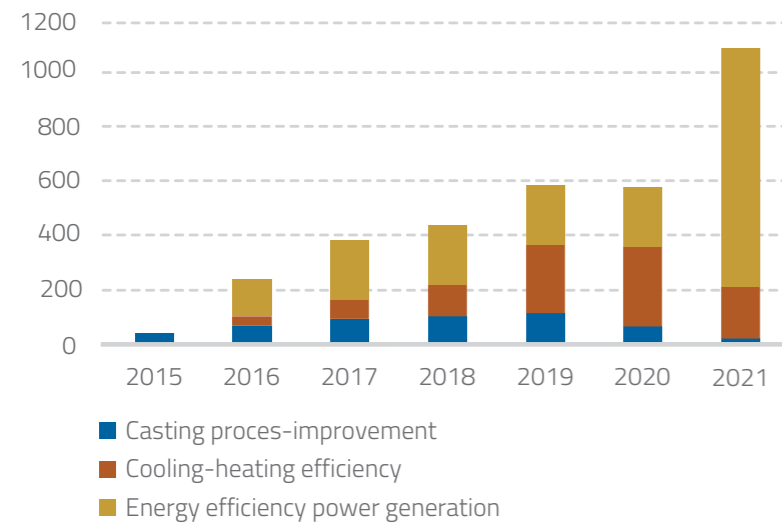




**EVOLUTION ANNUAL CO<sub>2</sub> REDUCTION AS A RESULT OF STRATEGIC ENERGY EFFICIENCY MEASURES (% OF TOTAL CO<sub>2</sub> EMISSIONS)**



**EVOLUTION OF ANNUAL CO<sub>2</sub> REDUCTION IN TONS BY TYPE OF STRATEGIC ENERGY EFFICIENCY MEASURE**



Alongside reducing our carbon footprint substantially, these new facilities enhance product quality, reduce material loss, and improve ergonomics and safety for our employees. 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 pave the way for more sustainable and efficient aluminum products in the future.





# MANAGING AND REDUCING EMISSIONS

## AIR

With regards to air emissions, Lamifil is fully compliant with all environmental licensing requirements and regional regulations. We have 35 identified air emission point sources which we monitor through our self-controlled air emission program strategy, as mandated by regional VLAREM regulations.

As we believe in the motto “to measure is to know”, we have executed a very extensive monitoring program in 2021, measuring all significant sources through an external accredited laboratory. Prior to starting this program, Lamifil requested the measuring ports to be reviewed in accordance with the regional LUC/0/001 standard, in order to ensure representative measurements. Following the commissioning of our new aluminum melting and casting facilities, we have been measuring furnace emissions on a monthly basis and will continue to do so throughout 2022.

## SOIL

Over the last 20 years, Lamifil has been actively carrying out a soil and groundwater remediation program in response to on-site contamination from the past. This program involves, among others, the implementation of an externally operated groundwater treatment plant, combined with a yearly extensive monitoring program and two-yearly progress reporting to the corresponding governmental institutions. In recent years, new remediation strategies have been developed including TreeWells, In Situ Metal Precipitation, SoakEase or tensioactive products. These have the advantage that the remediation is centered at the source of the contamination. Lamifil is planning to initiate new pilot projects after testing and validation of proven suitable techniques. Furthermore, Lamifil is participating 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, putting pressure on its capacity to supply fresh 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. Furthermore we continuously measure our waste water flowrate. Independent sampling and analyses of our waste water are carried out monthly. We are also currently taking action to inspect and clean our internal sewage system in order to improve the quality of our waste water.

## 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 2021, Lamifil took immediate action to address a noise complaint in cooperation with the Environmental and Municipal Authorities. Neighbors were invited to participate in the noise measurements and interact with an accredited noise consultant. After an in-depth engineering study, additional isolation was applied to mute the disturbing noise source.

We perform regular noise measurements across the factory at every workplace to determine the maximum noise emissions. As well as clear instructions and safety signs, we provide our employees with appropriate PPE to protect them from excessive noise exposure.

## HAZARDOUS MATERIALS

In order to manufacture high-quality products in aluminum, copper, and their alloys, Lamifil does use some hazardous 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 the effective labeling, storing, handling, and transportation of such hazardous goods.

Increasing employee awareness on the potential dangers and proper administration of all hazardous products forms part of this continuous effort. In 2021 we appointed environmental ambassadors in every production unit in order to further improve our waste control process. They supervise and control the temporary storage of hazardous and non-hazardous waste and oversee its correct disposal through authorized waste collectors and processors.

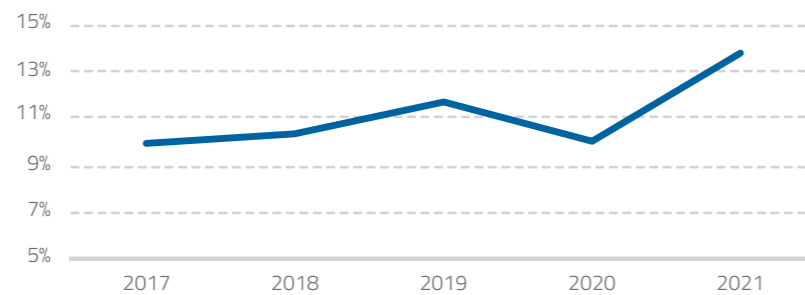


# CIRCULAR APPROACH AND RECYCLING

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.

Aluminum is a very recyclable material and its scrap and production waste can be easily recovered for re-use in production. Today, 13.9% of the total molten aluminum in our production processes comes from our own aluminum scrap. 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)



In the near future, Lamifil will develop and implement a Total Waste Management plan. The goal is to better understand our waste streams, manage them more efficiently in order to minimize waste volumes, reduce costs, and create maximum waste value. By effectively collecting, sorting, re-using, recycling, and tracking waste from all sources, we aim to gain significant progress in our circular approach. Our step towards Total Waste Management will be facilitated by outsourcing the collection, disposal, reporting, and administration of all generated waste to one single specialized partner.

We work together with our customers 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 who use proprietary packaging follow the same principle. Our aim is to maximize the use of re-usable steel packaging 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, while recycling paper, cardboard, plastic, metal bottles, cans, and biological waste originating from our offices and plant.

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

(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 of our employees
- > Offer equal and fair employment and opportunities to grow

## SDGs





# PEOPLE AT THE CENTER OF EVERYTHING WE DO

To succeed in realizing our goals, 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 adopt their pivotal role fully and with autonomy, while sharing knowledge and working together safely. 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 an approach and plan 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.

*“By interacting with our employees and committing to a shared purpose, we can become a truly sustainable company.”*



# SUSTAINABLE SAFETY AND WELLBEING

## EMBEDDED IN OUR STRATEGY

Safety is and remains our first priority. It is at the top of every agenda of board, management and townhall meetings, and a necessary condition for establishing our company's connection with the future. Based on a comprehensive assessment of our safety culture by two external experts, we have defined a clear vision, goals and actions that have been forged into a plan.

The objectives of our vision on safety and wellbeing have been translated into four policy spearheads, each with its own goals and actions:

- > Machine safety
- > Procedures and instructions
- > Safety culture
- > Rewards and sanctions policy

## TOWARDS A PROACTIVE SAFETY CULTURE

Since the launch of our safety plan, we have made progress in realizing various objectives. We recognize that we still have a long way to go to establish a truly proactive safety culture. Instead of primarily focusing on incident prevention, our current safety culture is too often only reactive in nature. In order to succeed in changing this mentality, we need to strengthen our commitment to generate more awareness for risks and potential hazards. This is the only way we can make our work environment safer, knowing that this is something we need to work on together and continuously.

Because safety is our top priority, we have decided to integrate our safety plan within our transformation program Focus 2025. Our substandard accident statistics notwithstanding, we have worked relentlessly on improving safety in 2021, launching new initiatives in this respect.

## WORKING SAFER STARTS WITH ASSESSING RISKS

The LMRA or Last Minute Risk Analysis is a proven instrument to prevent accidents. This brief assessment performed by employees allows them to decide whether they can safely carry out any task. We conducted a first campaign in 2021 to familiarize our employees with the concept of LMRA, accompanied by a customized LMRA booklet explaining how to perform along with an extensive checklist they can use in case of doubt. The LMRA booklet also provides an overview of dangerous substances as well as applicable emergency procedures.

With the aim of further increasing awareness among our employees concerning safety and LMRA, our EHS department initiated a promising pilot project in 2021 called 'Play it Safe'. Poised to be rolled out in 2022, this initiative comprises a toolbox and an interactive digital safety course based on gameplay. As well as a general safety module, it includes a bespoke LMRA module.

After an interactive training course, it is up to the participants to apply what they have learned in the workplace with the help of the LMRA booklet. The pilot project will be evaluated by participants and our EHS department.

## SAFE AND PROFESSIONAL USE OF FORKLIFTS

We developed a new plan in 2021 to tackle the number of forklift accidents and incidents. This plan allows us to closely monitor the safe and professional use of forklifts via a centralized approach. Although we pay a lot of attention to prevention, we also analyze damage and accidents in order to arrive at targeted measures.

A first part of the plan is the regular evaluation of employees who operate a forklift. Every employee with a forklift truck certificate will need to take regular theoretical and practical tests at our EHS department, possibly linked to training on legislation. We will also develop specific training courses and toolboxes in due course, based on trends that we identify along the way. The plan also includes communication support through our various channels in order to inform and raise awareness.

All forklifts at Lamifil are equipped with a tracking system. After a forklift is activated with a badge, the system always knows who is driving that forklift at that time and where. In the event of an accident or incident, this data can be reviewed and investigated.



## OUR OWN BEHAVIOR IS KEY

The behavior of everyone at Lamifil 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.

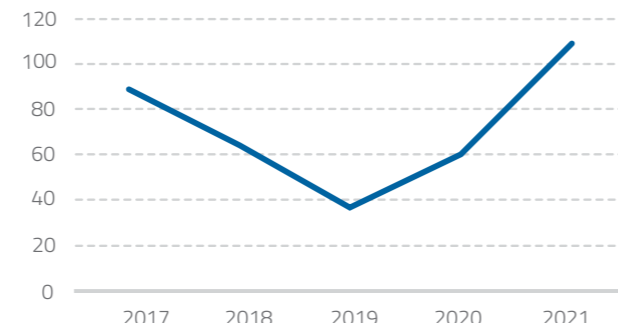
### FIRE SAFETY

Assessing and reducing fire risk is a key element within our safety approach. In 2021 a global risk assessment, including fire risk, was performed at Lamifil by an independent firm which established that the risk quality rating for our facility is Above Standard. In addition, according to governing regulations, a specific fire risk analysis was performed in our new aluminum casting and rolling facilities. Also in 2021, all fire extinguishing equipment was reviewed and upgraded. In the near future we are planning to use bio-foam as a standard for all foam extinguishing equipment. Our in-house intervention squad is trained to handle minor fires and detailed procedures are in place to rapidly get assistance from local fire departments in case of major fire incidents.

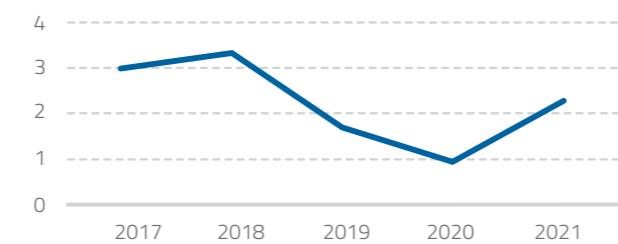


A framework or **balance of consequence** has been designed to define how exactly we stimulate, acknowledge, and reward desired behavior, as well as how we correct or sanction undesired behavior. It is up to our management and employees to all act consistently and responsibly in order to protect and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

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## AN INTEGRATED APPROACH

All our activities and measures concerning health, safety, and wellbeing, 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, ISO9001, ISO14001** 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. We continuously monitor and evaluate our progress through the Year Action Plan, Global Prevention Plan 2022-2026 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 also 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.



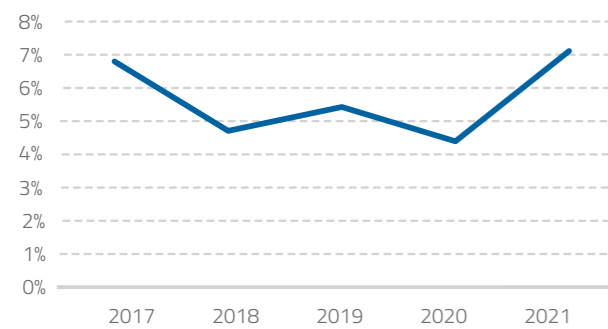


# WORKING AT LAMIFIL

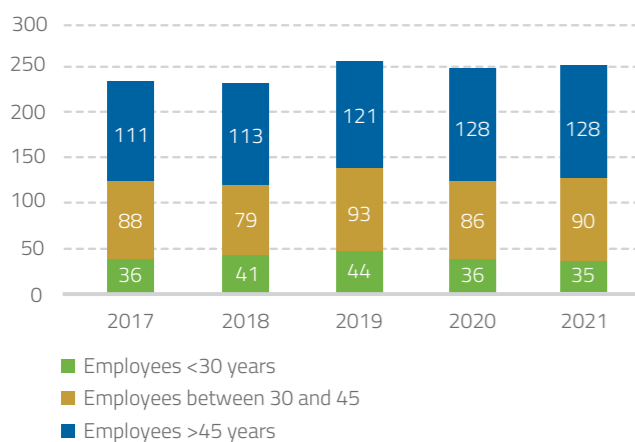
During our 90 years of operations, we have always valued and nurtured a company culture of **commitment and connectedness**, knowing that as a strong team we can accomplish so much more. As one of the largest local employers in Hemiksem, where our headquarters are located, we have a lot to offer people 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 90% 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 5.7%.

## VOLUNTARY LEAVERS RATIO % OF ALL EMPLOYEES



## AGE SPLIT EMPLOYEES - EVOLUTION



“ 90% employee retention rate in 2021 ”

## 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 our initiatives related to **prevention, risk management, and machine safety**, our policy also focuses on the **physical and mental wellbeing** of our employees. Improving ergonomics and stimulating communication, teamwork, and autonomy form part of our desire 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.

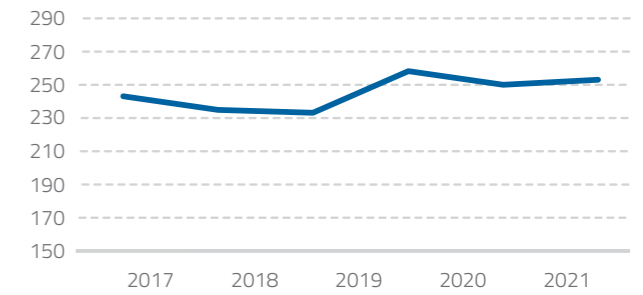
Our human resources policy complies with local government and collective labor agreements, as well as recommendations as defined by the International Labor Organization. Lamifil is committed to protecting human rights and privacy, treating each and every individual with **respect** regardless of their 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 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

Ever since our earliest beginnings almost a century ago, Lamifil has not only forged technology, innovation, and mastery into smart products. As a true melting pot, we have also continuously forged 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 **253 people** in Belgium representing **13 different 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 human resources departments. In 2021, Lamifil expressed its commitment to support the advancement of equality by endorsing the UN's Women's Empowerment Principles.

## EVOLUTION TOTAL NUMBER OF EMPLOYEES

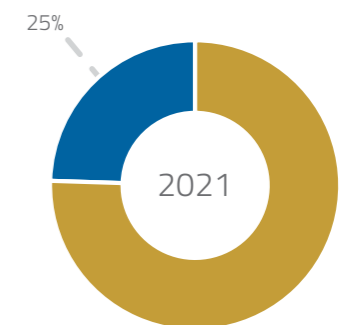


## SUSTAINABLE EMPLOYEE MOBILITY

Increasing traffic and associated pollution are major challenges for our planet. At Lamifil, we are fully committed to working on sustainable mobility as part of our strategy. In 2019 we launched a bicycle lease plan at the request of our employees. Today 1 in 4 employees leases a bicycle through Lamifil; an overwhelming success that is paving the way for even more initiatives.

At the same time, Lamifil is progressively making its vehicle fleet greener. We encourage our employees to opt for a hybrid or electric company car. As we want to stimulate that choice among all employees, including those who do not have a company car, we have invested in our own charging infrastructure. We currently have 2 charging stations with 4 charging points of 11kW each which can be expanded to 10 charging points. All Lamifil employees are free to use this infrastructure at very low charging rates. In fact, employees who charge their car at Lamifil can save about 30% compared to a home installation.

## EMPLOYEES USING BICYCLE LEASE PLAN



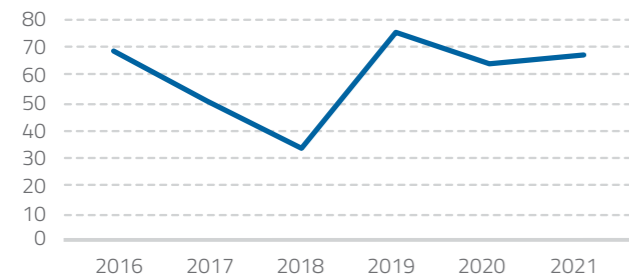
# ENGAGING OUR INTERNAL STAKEHOLDERS

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 68 hours on formal and informal training in 2021.

AVERAGE TRAINING HOURS/EMPLOYEE

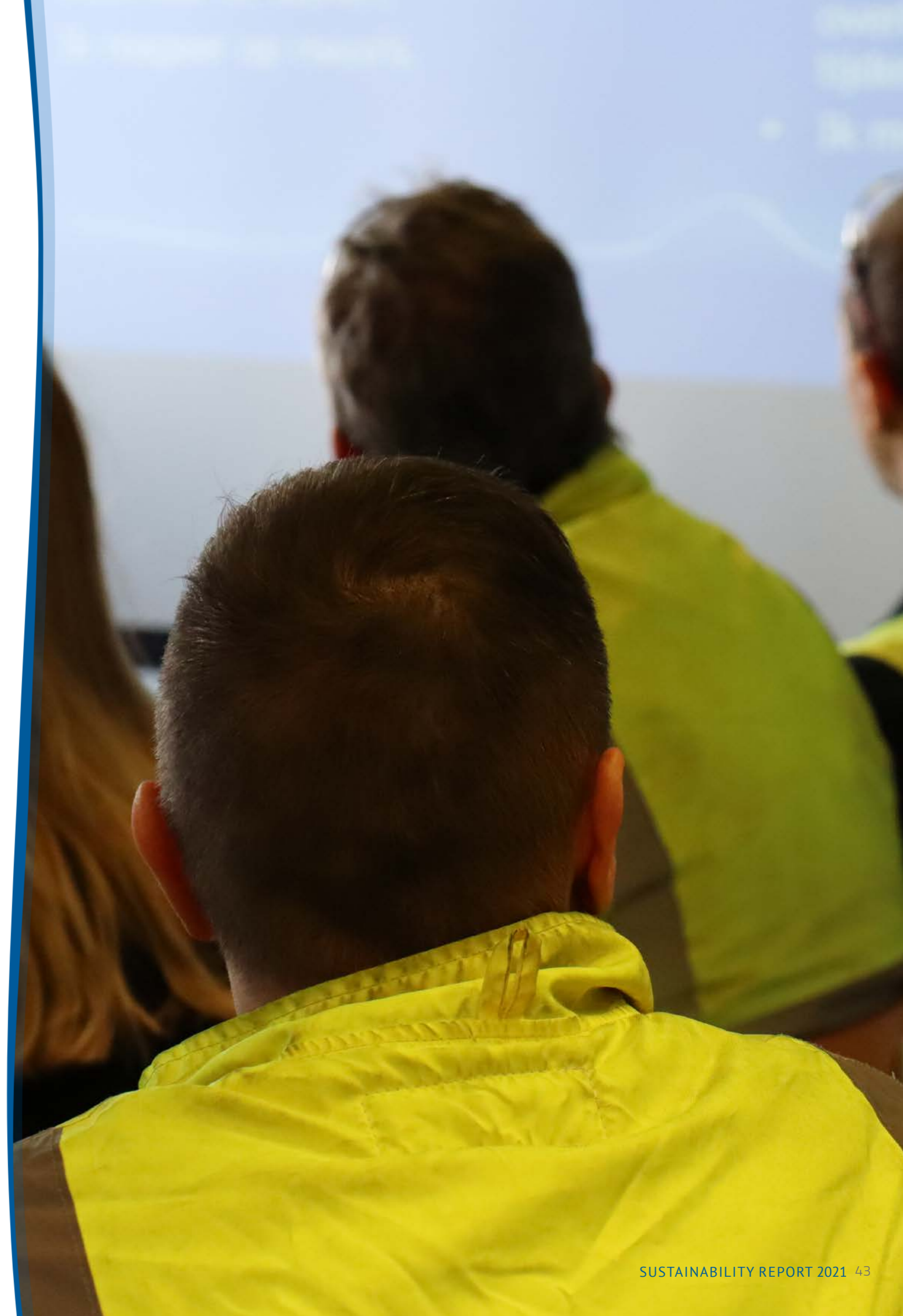


## REMUNERATION AND BENEFITS

Lamifil strives to remain a fair and desirable employer, offering a competitive remuneration package in line with market standards and including attractive fringe benefits. Employee benefits include healthcare and pension plans, labor accident disability coverage, paid leave, multiple 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 financial 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

## SDG



## 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 digitalized 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 other parts 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, laboratory and other technicians, engineers, commercial, and administrative talents.

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	Hemiksem Fire department
Sports	Hellvoc volleyball team
	Schelle Sport soccer team
Culture	Harmonie Verenigde Vrienden (music)
	Gilliot & Roelants tile museum
Charity	Hondenboot Antwerpen vzw
	Tochtgenoten vzw

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.



### LAMIFIL SPONSORS AUTISM ASSISTANCE DOG TRAINING FOR LOCAL FAMILY

Being part of the community in Hemiksem, we take our responsibility to support meaningful initiatives in our neighborhood. A great project that Lamifil was excited to be involved in was that of young Yander's assistance dog Rayco.

The Fierens-Gossé family, who lives next to the Lamifil site, faces a special challenge as their four young children have all been diagnosed with autism. For their ten-year-old son Yander, the family went through an intensive process to look for help.

Without success, until they got in touch with an organization that trains autism assistance dogs. These special dogs help to calm children with autism and comfort them whenever they get overstimulated. The only drawback is that the training involved is long, intensive, and costly!

Convinced that an assistance dog was the answer they were looking for, the family tried hard to find the necessary funds. After the parents' public call for help, Lamifil responded immediately by providing financial support. After that, everything changed.

When Rayco, a labradoodle, came to live in their home, the family's situation took a turn for the better. Thanks to Rayco's presence, things settle down much faster in difficult or stressful moments. The dog's value is undeniable and visible even in small, everyday ways.

Lamifil is so grateful to have been able to contribute to this heart-warming project. And proud to have a four-legged friend as our new local ambassador.



# UNITING WITH STAKEHOLDERS TO LEVERAGE KNOWLEDGE

Over 95% of our products are exported to over **75 countries around the globe**. Lamifil is proud to represent Flanders and Belgium on the global stage, by contributing to a future in which technology and innovation create welfare and wellbeing. In order to widen our scope and exchange 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 also 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 several 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 on the next page lists our key initiatives, frequency, and the means by which we engage with our main stakeholders.

Stakeholders	Means/channels of engagement	Frequency
<b>Employees</b> Management, employees, unions	Townhall meetings	Quarterly/ad hoc
	Events	Regular
	Performance management	Regular
	Intranet platform	Continuous
	Wellbeing/safety survey	Ad hoc
	Works council	Monthly
<b>Customers</b>	Customer satisfaction survey	Annually
	E-Newsletters	Regular
	Social media	Regular
	Market research	Ad hoc
	Direct engagement	Continuous
<b>Society</b> 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
<b>Shareholders</b>	Shareholder meeting	Annually
<b>Partners</b> Suppliers, contractors, financial institutions	Direct engagement	Continuous
	Evaluation	Annually/Ad hoc
	Industry events & forums	Regular
<b>Industry organizations &amp; regulators</b>	Meetings & briefings	Regular
	ISO inspections	Annually
	ISO audits	According to ISO requirements
	Direct engagement	Continuous
<b>Public &amp; local authorities</b> 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 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	2021
Total CO <sub>2</sub> emission	tonne	17.774	16.341	16.618	19.215	17.111	14.315
of which natural gas	tonne	8.470	8.027	8.923	10.772	9.531	7.064
of which electricity	tonne	9.024	8.063	7.444	8.161	7.321	7.043
of which LPG	tonne	280	251	251	282	259	208
Recycled aluminium metal waste for re-use in production (in % of total molten aluminum)	%	9,8%	10,0%	10,4%	11,8%	10,1%	13,9%
% of own generated aluminum scrap that is re-used in production	%					75 %	
Health & safety data (1)	Unit	2016	2017	2018	2019	2020	2021
Lost time injury frequency rate	LTIF	63,00	89,00	64,00	37,00	60,00	109,34
Lost time injury severity rate	LTIS	2,23	3,01	3,37	1,69	0,91	2,30
Workforce data (2)	Unit	2016	2017	2018	2019	2020	2021
Employees men	#	230	223	220	243	237	239
Employees women	#	13	12	13	15	13	14
Total # of employees	#	243	235	233	258	250	253
Number of nationalities	#	10	7	8	9	10	13
Employees < 30 years	#	42	36	41	44	36	35
Employees between 30 and 45	#	97	88	79	93	86	90
Employees > 45	#	104	111	113	121	128	128
% women of employees	%	5,35	5,11	5,58	5,81	5,2	5,5
% blue collars of employees	%	76,13	75,32	72,53	73,26	74	73,5
% white collars of employees	%	23,87	24,68	27,47	26,74	26	26,5
Voluntary leavers ratio % of employees	%	2,47	6,81	4,72	5,43	4,4	7,1
Sub-contracted employees (3)	%	6,54	2,89	8,27	9,47	2,34	0
Average training hours/ employee	#hours	69,30	50,96	33,51	76,10	64,55	67,79
Retention rate	%				94,00	91,37	89,72
Average seniority	Years				12	12	12
Employees using bicycle lease plan	%					22	24,5

(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 over 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 its production site in Hemiksem (Belgium), close to the port of Antwerp.

## 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 strategy and 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 2021 to 31 December 2021. Lamifil intends to provide annual updates on its sustainability performance.

The information in this document is subject to change without notice and does not represent a commitment on the part of Lamifil NV. Lamifil NV assumes no responsibility for any errors that may appear in this document.





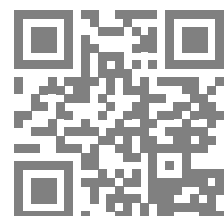
Bringing connections to life



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