Notes to the Consolidated Financial Statements

General disclosures

Aurubis AG, headquartered in Hamburg, Deutschland, is a quoted corporate entity registered with the District Court of Hamburg under Commercial Register number HR B 1775. The address is Aurubis AG, Hovestrasse 50, 20539 Hamburg, Germany.

As required by Regulation (EC) No. 1606/2002 of the European Parliament and the Council dated July 19, 2002 on the application of international accounting standards, in conjunction with Section 315e (1) of the German Commercial Code (HGB), the accompanying consolidated financial statements as at September 30, 2021 are prepared in accordance with the International Financial Reporting Standards (IFRS) approved and published by the International Accounting Standards Board (IASB), as adopted by the European Union. The interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS-IC) have been taken into account.

The consolidated financial statements were released for publication after they were approved on December 1, 2021.

The consolidated financial statements have been prepared in euros. If nothing to the contrary is indicated, all amounts are shown in thousands of currency units.

Current and non-current assets and liabilities are presented as separate categories in the statement of financial position. In this context, current assets and current liabilities are expected to be realized within twelve months of the balance sheet date or are held primarily for trading purposes.

The preparation of consolidated financial statements in accordance with IFRS furthermore requires the Executive Board and authorized employees to make estimates and assumptions in certain significant areas. These have an impact on the measurement and presentation of the assets and liabilities in the statement of financial position, and on related income and expenses.

Sectors that particularly require the application of estimates and assumptions are presented under
Significant estimates and assumptions, pages 152–153.

This report may include slight deviations in disclosed totals due to rounding.

Significant accounting principles

SCOPE OF CONSOLIDATION

In addition to the parent company, Aurubis AG, Hamburg, 23 further companies in which Aurubis AG, Hamburg, holds the majority of the voting rights either directly or indirectly, and thus has control, were included in the consolidated financial statements as at the reporting date by way of full consolidation. The reporting date for the consolidated financial statements corresponds to the balance sheet date of Aurubis AG, Hamburg, and all consolidated subsidiaries, with the exception of three consolidated companies. The balance sheet date of these subsidiaries is December 31. These companies prepared interim financial statements for consolidation purposes as at the reporting date of the consolidated financial statements.

Accordingly, the financial statements of all significant subsidiaries which Aurubis AG controls are included in these consolidated financial statements.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, a producer of pre-rolled strip in which a 50 % share interest is held, and, from June 1, 2021 onwards, Cablo GmbH, Gelsenkirchen, in which a 40 % share interest is held, are accounted for using the equity method. Both companies are managed jointly (based on the respective contractual relationship) and mutually (with respect to significant activities) with an additional partner (joint ventures).

CONSOLIDATION PRINCIPLES

The separate financial statements of all companies included in the consolidation are prepared in accordance with the uniform accounting policies that are applied within the Aurubis Group. The financial statements of the main companies included in the consolidated financial statements have been audited by independent auditors.

Capital consolidation is performed as at the acquisition date using the acquisition method, whereby the acquisition cost of the acquired interest is offset against the fair values of acquired assets and liabilities of the subsidiary at that time. Any unallocated difference on the asset side is recognized as goodwill and tested at least annually for impairment. In accordance with IAS 36, goodwill is not amortized on a scheduled basis. Negative goodwill is recognized immediately in profit or loss following a reassessment of the fair values.

Intercompany receivables, liabilities, and contingent liabilities, as well as revenues, other income, and expenses between Group companies are eliminated. Profits resulting from transactions between Group companies are eliminated, if material.

In addition to nine German companies, 15 foreign companies are included in the consolidated financial statements. In accordance with the functional currency concept, the financial statements of subsidiaries prepared in foreign currencies were translated into euros, as the euro is Aurubis AG's reporting currency. Transactions in foreign currencies are converted into the functional currency at the exchange rate at the time of the transaction or, in the case of subsequent measurement, at the time of such measurement. Foreign currency transactions are conducted particularly in US dollars. The average US dollar exchange rate during fiscal year 2020/21 was 1.19538 US$/€. The exchange rate as at September 30, 2021 was 1.15790 US$/€. Gains and losses resulting from the fulfillment of such foreign currency transactions, as well as from the conversion of monetary assets and liabilities designated in a foreign currency as at the reporting date, are recorded in profit and loss in the cost of materials unless they have to be accounted for in equity as qualified cash flow hedges or net investments in foreign business operations. In fiscal year 2020/21, foreign currency conversion differences totaling € 3.2 million (previous year: € -1.8 million) were recognized in profit or loss. In accordance with IAS 21, assets and liabilities in the statement of financial position of subsidiaries reporting in a foreign currency are translated at the mid-market rates applicable at the reporting date and the income statement is translated at the average rates for the fiscal year. Any resultant translation differences are recognized directly in equity until the possible disposal of the subsidiary.

Joint ventures are accounted for in accordance with IFRS 11 using the equity method. Profits deriving from upstream/downstream transactions with Group companies are eliminated proportionally.

RECOGNITION OF REVENUES

Revenues are mainly generated from the sale of metals and copper products and are measured in the amount of the consideration that the Group expects to receive from a contract with a customer. The Group recognizes revenues when the authority to exercise control over a product or a service has been transferred to the customer. Bonuses granted in the fiscal year are deducted from revenues. In the case of transport services that generally relate to a specific time period and represent a separate performance obligation, no separation is made on grounds of materiality. Some contracts include rebates and price reductions that are factored into the transaction price.

SHARE-BASED PAYMENT

The recognition and measurement standards of IFRS 2 are to be applied to this compensation component. The component relates to virtual deferred stock with a three-year, forward-looking assessment basis, which is dependent upon the achievement of targets for the operating EBT component and is also based on individual performance. The virtual deferred stock compensation plan does not include dividend payments, and the payout is limited to 150 % of the starting value. To determine the fair value of the limitation of the share price development, the value of a European call option is calculated by applying the Black Scholes formula.

FINANCIAL INSTRUMENTS

A **financial instrument** is a contract that simultaneously gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

In this connection, financial assets particularly comprise cash and cash equivalents, equity instruments held in other entities (e.g., investments or share portfolios), trade accounts receivable, other loans and receivables granted, as well as primary and derivative financial instruments that are held for trading. Financial liabilities generally establish a contractual obligation to deliver cash or other financial assets. These include in particular bonds and other securitized liabilities, liabilities to banks, trade accounts payable, lease liabilities, and derivative financial instruments. Within the Group, regular way purchases and sales of primary financial instruments are generally recorded as at the settlement date, i.e., at the date of delivery and transfer of title. Derivative financial instruments are recognized as at the trade date. Financial assets and financial liabilities are generally reported gross (i.e., without being netted).

In accordance with IFRS 9, financial instruments are classified as either measured "at amortized cost" (AC), "at fair value through other comprehensive income" (FV OCI), or "at fair value through profit or loss" (FV P&L).

A debt instrument is measured at amortized cost if both of the following conditions are fulfilled:

- It is held as part of a business model whose objective is to hold assets to collect contractual cash flows.
- The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are fulfilled:

» It is held as part of a business model whose objective is to sell assets after holding them for a certain period of time.
» The contract conditions of the financial asset lead to cash flows, at fixed times, that only represent redemption and interest payments on the outstanding amount of capital (cash flow criterion).

If the criteria mentioned above for classification as AC or FV OCI have not been fulfilled, the debt instruments are measured at fair value through profit or loss (FV P&L).

Notwithstanding the above criteria for classification of debt instruments in the categories AC or FV OCI, a company can irrevocably classify its financial assets as "measured at fair value through profit or loss" upon initial recognition if doing so helps prevent or significantly reduce an accounting anomaly (FV option). The Aurubis Group makes use of the FV option for receivables from supply contracts that are not price-fixed (hybrid contracts).

Equity instruments are normally classified and measured at fair value through profit or loss. Deviating from this, there is an irrevocable option, upon initial recognition of primary equity instruments that are not held for trading, to recognize fair value changes in other comprehensive income (OCI option). Aurubis uses the OCI option and classifies equity instruments that are not classified as "held for trading" in the category "fair value through OCI" (FV OCI).

Primary financial liabilities are either measured at "amortized cost" or at "fair value through profit or loss." They are measured at fair value through profit or loss when they are held for trading or have been designated as "fair value through profit or loss" (FV option) – under certain conditions – upon initial recognition. Aurubis makes use of the FV option and irrevocably designates liabilities from supply contracts that are not price-fixed (hybrid contracts) at "fair value through profit or loss."

No financial instruments were reclassified into other measurement categories either in fiscal year 2020/21 or in fiscal year 2019/20.

Financial assets are recognized if Aurubis has a contractual right to receive cash and cash equivalents or other financial assets from another company. Financial assets are always initially recognized at fair value. Thereby, in the case of financial assets that will not be measured subsequently at fair value through profit or loss, the transaction costs directly attributable to the purchase have to be taken into account. The fair values recognized in the statement of financial position represent the market prices of the financial assets to the extent that these can be determined directly by reference to an active market. Otherwise, they are measured using normal market procedures (valuation models), applying the market parameters specific to the instrument. Non-interest-bearing financial assets with a term exceeding one year are discounted. For financial assets with a residual term of less than one year, it is assumed that the fair value corresponds to the nominal value. Financial assets designated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate. Financial assets are derecognized if the contractual rights to payments from the financial assets no longer exist or all opportunities and risks are essentially transferred. Any financial assets sold without recourse are derecognized.

The **share interests in affiliated companies** and **investments** that are reported under financial fixed assets are measured at fair value through profit or loss. They are generally measured at fair value, which is derived from the stock market price, provided a price quoted in an active market is available. Subsequent gains and losses resulting from measurement at fair value are recognized as other financial income/expenses in the income statement.

Aurubis makes use of the OCI option for equity instruments and accounts for **securities classified as fixed assets** at fair value through other comprehensive income. When these equity instruments are sold, the profits and losses that are unrealized up to this point in other comprehensive income are transferred to revenue reserves and are not disclosed in the income statement.

The non-current receivables reported as **other financial fixed assets** are, if significant, measured at amortized cost for subsequent measurement purposes, applying the effective interest method.

Within the Aurubis Group, **trade accounts receivable** resulting from supply contracts that are not price-fixed are measured at fair value through profit or loss for subsequent measurement purposes. Receivables held for sale within the context of factoring arrangements are measured at fair value through other comprehensive income. On account of their short terms to maturity, remaining trade accounts receivable are measured at nominal value, less any expected credit losses.

Expected credit losses on financial assets measured at amortized cost or at fair value through other comprehensive income are recorded as allowances, i.e., as part of the measurement of these assets in the statement of financial position. A simplified approach for the recognition of impairment losses is applied for trade accounts receivable. Under this approach, the expected credit losses are calculated using a so-called cohort model, which is based on the data for the past three fiscal years. The measurement of the outstanding receivables takes actual historical bad debt losses into account, giving consideration to forward-looking information.

Actual defaults result in derecognition of the receivables affected. A financial asset is considered to be in default if contractual payments cannot be collected and are assumed to be irrecoverable. Any adjustments to the balance of allowances due to an increase or decrease in the amount of expected credit losses are recorded in an allowance account. The decision as to whether a credit default risk is recorded using an allowance account or through direct reduction of the receivables depends on how reliable the assessment of the risk situation is. The default risk for trade accounts receivable is limited in particular by the Aurubis Group's existing commercial credit insurance programs.

Derivative financial instruments that are not included in an effective hedging relationship in accordance with IFRS 9 (hedge accounting) and are therefore "held for trading" must be classified as "measured at fair value through profit or loss."

In addition, delivery contracts are concluded in the Aurubis Group for non-ferrous metals to cover the expected requirement for raw materials and also for the sale of finished products. In the process, physical delivery contracts may be terminated by making compensation payments due to changes in demand. Fixed-price metal delivery contracts are therefore also recognized as derivative financial instruments. Since these are not included in an effective hedging relationship in accordance with IFRS 9, they are similarly classified as "measured at fair value through profit or loss."

To the extent that they are non-current, a large proportion of the **other financial assets** are measured at amortized cost for subsequent measurement purposes, applying the effective interest method.

Cash and cash equivalents have a remaining term on initial recognition of up to three months and are measured at nominal value.

For financial assets that are not accounted for at fair value through profit or loss, **allowances for impairment** need to be recognized on the basis of the expected losses. To calculate these allowances, IFRS 9 provides a three-stage model (general approach). Depending on the counterparty's credit default risk, the model requires different levels of impairment assessment at these various stages.

For cash and cash equivalents and other financial assets that fall within the scope of impairment assessment under IFRS 9, the expected credit loss is primarily determined at the time of their acquisition on the basis of credit default swaps for which losses are calculated that are expected from defaults in the next twelve months. In the case of a significant increase in the default risk, the credit losses expected over the asset's respective term are considered. Because of the short-term nature and the counterparties' high level of creditworthiness, the default risk for the financial assets is low as at the reporting date.

When the company buys back its own shares, these are directly deducted from equity. Neither the purchase nor sale of treasury shares is recorded in profit or loss.

Financial liabilities are recognized if there is a contractual obligation to transfer cash and cash equivalents or other financial assets to another company. Financial assets are always initially recognized at fair value. Any directly attributable transaction costs are deducted for all financial liabilities that are not subsequently measured at fair value and are amortized over the term of the liability applying the effective interest method. Financial liabilities denominated in foreign currency are measured on initial recognition with the valid rate applicable at the date of the transaction and as at the reporting date with the then applicable mid-market rate.

Primary financial liabilities, which include borrowings, trade accounts payable, and other primary financial liabilities, are generally measured at amortized cost. If the interest effect is not insignificant, non-interest-bearing liabilities, or liabilities bearing low interest rates, with a residual term exceeding one year, are discounted. In the case of liabilities with a residual term of less than a year, it is assumed that the fair value corresponds to the settlement amount. Trade accounts payable resulting from supply contracts that are not price-fixed provide an exception. These are measured at fair value through profit or loss (FV option) for subsequent measurement purposes. The fair value changes resulting from the company's own credit risk are recognized in other comprehensive income.

The Aurubis Group uses **derivative financial instruments** to hedge interest rate and foreign currency risks and to hedge commodity price risks.

Derivative financial instruments are measured at fair value. This represents the market value and can be both positive and negative. If the market value is not available, the fair value is calculated utilizing present value and option price models. As far as possible, relevant market prices and interest rates observed at the reporting date, which are derived from recognized sources, are used as the opening parameters for these models.

Changes in the fair values of derivative financial instruments are recognized either through profit or loss in the income statement or in equity as a component of other comprehensive income. The decisive factor hereby is whether or not the derivative financial instrument is included in an effective hedging relationship. If no **cash flow hedge accounting** relationship exists, the changes in fair values are to be recognized immediately in profit or loss. If, on the other hand, an effective cash flow hedging relationship exists, such changes will be recognized in equity as a component of other comprehensive income.

In order to avoid fluctuations in the income statement due to the different measurement of hedged items and hedging instruments, IFRS 9 includes special regulations relating to hedge accounting. The aim of these hedge accounting regulations is to record the effects of changes in value of hedging instruments and hedged items so that they compensate one another as far as possible.

In addition to documentation, as a prerequisite for the application of the regulations of hedge accounting, IFRS 9 requires proof of an effective hedging relationship. Hedge effectiveness means that changes in fair value (for fair value hedges) or changes in cash flow (for cash flow hedges) of the hedged items are compensated by counteracting changes in the fair value or the cash flows of the hedging instruments, in each case relating to the hedged risk.

The purpose of derivatives that are used as hedging instruments in conjunction with a **cash flow hedge** is to hedge future cash flows. A risk with regard to the amount of future cash flows exists in particular for planned transactions that are highly likely to occur. Derivative financial instruments used in conjunction with cash flow hedge accounting are recognized at fair value. The gain or loss on measurement is split between an effective and an ineffective portion. The effective portion is the portion of the gain or loss on measurement that represents an effective hedge of the cash flow risk. This is recognized directly in equity under a special heading (cash flow hedge reserve), after taking deferred taxes into account. The ineffective portion deriving from measurement is recognized on the other hand in profit or loss in the income statement. The non-designated portion of the derivative is recorded in a separate reserve for hedging costs in other comprehensive income. Within the Aurubis Group, any changes in fair values of foreign currency options are excluded from the hedging relationship. The accounting treatment of the transactions underlying the hedged cash flows remain unchanged. Following the termination of the hedging relationship, the amounts recorded in the reserve are always transferred to the income statement when gains or losses made in connection with the hedged item are recognized in profit or loss or when the underlying transaction is not actually expected to occur anymore.

The Aurubis Group furthermore enters into hedging relationships that do not satisfy the strict requirements of IFRS 9 and cannot therefore be accounted for in accordance with the hedge accounting regulations. Nevertheless, from an economic point of view, these hedging relationships comply with the principles of risk management. Moreover, hedge accounting is also not applied in the case of the monetary assets and liabilities recognized in connection with foreign currency hedging, because the foreign currency translation gains and losses on the hedged items that need to be realized in profit or loss in accordance with IAS 21 are accompanied by gains and losses on the derivative hedging instruments and more or less compensate one another in the income statement.

The **fair value** of financial instruments is determined pursuant to the regulations of IFRS 13 covering measurement at fair value. The fair value of financial instruments quoted in active markets is calculated based on price quotations insofar as these are prices used in routine and current transactions. Where no prices quoted in active markets are available, the Aurubis Group uses measurement procedures to determine the fair value of financial instruments. Consequently, the input parameters applied in measurement procedures are based where possible on observable data derived from the prices of relevant financial instruments traded in active markets. The use of these measurement procedures requires estimates and assumptions on the part of the Aurubis Group, the scope of which depends on the price transparency of the financial instrument and its market, and the complexity of the instrument. Management regularly analyzes the methods and influencing factors used to determine the fair value to ensure that they are appropriate. Additional information about the main estimates and assumptions used to determine the fair value can be found in the section Financial instruments, pages 179-191.

INTANGIBLE ASSETS

If intangible assets are acquired, they are recognized at acquisition cost. Internally generated intangible assets that provide future economic benefits are recognized at their cost of generation if the criteria for their recognition as an asset are fulfilled. They are amortized on a scheduled, straight-line basis over their expected useful lives of generally between three and eight years. As an exception, scheduled amortization charges relating to investments made in connection with a long-term electricity supply contract are recorded under cost of materials over the term of the contract. An additional license acquired for a consideration exists, which will be amortized on a scheduled basis in the future. Furthermore, intangible assets were recognized as part of the purchase price allocation resulting from the acquisition of the Metallo Group in fiscal year 2019/20. These are amortized on a scheduled, straight-line basis over their expected useful life of 18 years. With the exception of goodwill, the consolidated financial statements do not include any intangible assets with indefinite useful lives.

PROPERTY, PLANT, AND EQUIPMENT

Items of property, plant and equipment are recognized as fixed assets if they are used in the business operations for more than one year. These assets are measured at cost less scheduled depreciation. Such assets also include spare parts and maintenance equipment used for more than one period. Technical minimum stocks are recognized as components of the respective technical equipment and machinery. These stocks are quantities of materials that contain metals and are necessary to establish and ensure a production facility's future functionality for its intended use. Minimum stocks are not subject to scheduled depreciation, as they do not deteriorate or age.

Construction costs include all costs that can be directly attributed to the asset. Borrowing costs that can be directly allocated to the purchase, construction, or production of a qualifying asset are capitalized. Borrowing costs of € 904 thousand (previous year: € 291 thousand) were capitalized in the fiscal year reported, applying a financing cost rate of 1.6 % (previous year: 1.6 %). Scheduled depreciation is charged using the straight-line method. In this context, depreciation periods used correspond to the expected economic useful lives of the respective assets, as applicable within the Group. The following useful lives were mainly applied:

Buildings	25 to 40 years
Site installations	10 to 25 years
Technical equipment and machinery	5 to 20 years
Technical minimum stock	unlimited useful life
Other equipment, factory and office equipment	3 to 20 years

General overhauls or maintenance measures resulting in the replacement of components are recognized as an asset if it is probable that future economic benefits will flow to the Group and the costs can be measured reliably.

LEASING

When a contract is entered into, Aurubis assess whether it is, or includes, a lease. As a general rule, all leases have been recognized by the lessees as a right-of-use asset and a lease liability from October 1, 2019 onwards.

The lease liabilities disclosed as financial liabilities are basically recognized at the present value of future fixed lease payments. Furthermore, any variable payments that are linked to an index and any expected residual value guarantees are taken into account. If there is reasonable assurance that an existing purchase or extension option will be exercised, then the purchase price and/or any related lease payments are included when determining the lease liability. Compensation for premature termination of the lease is taken into account if there is reasonable assurance that the claim will be exercised. The lease payments are discounted using the interest rate in the lease or, if there is no such interest rate, using the lessee's incremental borrowing rate. Risk-free interbank interest rates for corresponding terms to maturity in different currencies are used to deter mine the incremental borrowing rate and are increased to include credit and country risk premiums. For subsequent measurement purposes, the carrying amount is increased by the interest on the lease liability and reduced by the lease payments made. The interest deriving from the winding back of the discount on the lease liability is recorded as interest expense in the financial result. If there is a change in the lease payments, the lease liabilities are remeasured. The remeasurement of the lease liability generally leads to an adjustment to the value of the right-of-use asset. Changes in lease payments arise, for example, in connection with adjustments to the term of the lease or though reassessment of extension or termination options.

The right-of-use assets disclosed under property, plant, and equipment are accounted for at cost less scheduled depreciation on a straight-line basis and, where applicable, less any necessary impairment losses recognized in accordance with IAS 36. The cost includes the present value of the future lease payments plus any advance lease payments made, plus any preliminary direct costs and restoration obligations. Any lease incentives received are deducted. The right-of-use assets are generally depreciated over the term of the lease. If the exercise of an existing purchase option can be assumed with reasonable assurance and the purchase price is included in the calculation of the future lease payments, the right-of-use assets are depreciated over the economic useful life of the leased asset.

Lease payments connected with short-term leases, expenses for leases of low-value assets, and variable lease payments that are not linked to an index are recorded in the income statement as current expenses. Moreover, the standards governing leases are not applied to leases of intangible assets. A separation is made into lease and non-lease components to the extent that these can be clearly identified and differentiated.

Leased-out leased assets are recognized at amortized cost under property, plant, and equipment. The resulting earnings are disclosed as revenues. In the case of a finance lease agreement, the leased asset is derecognized and a lease receivable is shown under other financial assets. Aurubis did not act as a lessor in any business relationships in either fiscal year 2020/21 nor in the previous year.

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life, such as goodwill, are not amortized on a scheduled basis but are subjected to an annual impairment test. Furthermore, an assessment is made at every reporting date to determine whether there are any indications that the asset could be impaired. In the same way, items of property, plant, and equipment are tested for impairment if there are any indications of such impairment.

Since the metals contained in the minimum stock can be recovered and the utilization potential of the minimum stock is not subject to wear and tear as it is not used in the production process, an unlimited useful life is assumed. The minimum stocks are therefore not depreciated on a scheduled basis but are instead tested for impairment in conjunction with the respective production facilities if there are any indications of such impairment.

Assets that are amortized or depreciated on a scheduled basis are tested for impairment if events or changes in circumstances indicate that the carrying amount might not be recoverable. Impairment losses are recorded in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and its value in use. For impairment testing purposes, assets are combined at the lowest level for which cash flows can be separately identified (cash-generating units). With the exception of goodwill, non-monetary assets on which impairment losses were recognized in the past are reviewed as at each reporting date to ascertain whether the impairment losses possibly need to be reversed.

INVENTORIES

Inventories are measured at acquisition or production cost on initial recognition. Production cost includes all direct costs attributable to the production process, as well as a systematically allocated share of the production-related overheads.

The acquisition costs of copper concentrates and raw materials for recycling are determined by deducting the treatment and refining charges negotiated with the supplier from the purchase value of the metal. Treatment and refining charges are deductions that are made due to the processing of ore concentrates and raw materials for recycling into copper and precious metals. In the smelters, work in process is measured by initially measuring the metal content. The equivalent cost of the processing that is still required for production of the fine metal is deducted from this figure. In this manner, the costs incurred during the production process are successively recognized as a component of the production cost. This procedure applies to the production of copper, precious metals, and minor metals.

When it comes to the production of copper products, in addition to the metal components, the incurred costs of further processing copper into special formats such as wire rod, shapes, and rolled products are taken into consideration for the measurement of finished goods by way of a calculation surcharge.

Inventories are measured using the average cost method in accordance with IAS 2. In this context, the amount recognized as at the reporting date is measured at the lower of cost and net realizable value. Net realizable value is determined on the basis of quoted commodity exchange or market prices as at the reporting date.

OTHER NON-FINANCIAL ASSETS

Other non-financial assets are recognized at amortized cost. Write-downs are made to the extent that the assets are at risk.

INCOME TAXES

Income taxes comprise both current and deferred taxes. The tax expense and/or tax credit is recorded in profit or loss. If, however, the related source transactions are recognized directly in equity or in other comprehensive income, then the income taxes attributed to them are also directly accounted for in equity or in other comprehensive income.

The Aurubis Group companies are subject to income taxes in many countries around the world. The tax expense and/or tax credit is calculated by applying the tax regulations of the individual countries that are applicable as at the reporting date.

Deferred tax assets and liabilities result from temporary differences between the tax-based carrying amounts of assets and liabilities and those taken into account in the IFRS financial statements or from tax loss carryforwards and tax credits not yet utilized. The calculation of deferred taxes is based on the tax rates expected in the individual countries at the time of realization. These tax rates are generally based on legislation that is valid, or has been enacted, as at the reporting date.

Deferred tax assets deriving from temporary differences, tax loss carryforwards, and tax credits are recognized by the respective company entities to the extent that deferred tax liabilities exist. If deferred tax assets exceed deferred tax liabilities, they are recognized to the extent that it is probable that sufficient taxable income will be available in the future to ensure the utilization of these tax assets. The recoverability of the recognized deferred tax assets is reviewed on an individual basis each year.

Deferred tax liabilities that arise due to temporary differences in connection with investments in subsidiaries and associated companies are recognized unless the point in time for the reversal of the temporary differences can be determined by the Group and it is likely that the temporary differences will not reverse in the foreseeable future due to this determining influence.

Deferred tax assets and liabilities are offset against one another in cases where a legal right of set-off exists and if they relate to income taxes levied on the same company by the same taxation authority.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

Discontinued operations are disclosed as soon as part of a company is classified as held for sale, the business area is a separate, significant line of business, and it is for sale as part of a coordinated overall plan.

In accordance with IFRS 5, assets held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

The consolidated result from discontinued operations is reported in the consolidated income statement separately from expenses and income from continued operations; prior-year figures are shown on a comparable basis. In the consolidated cash flow statement, discontinued operations are included in the cash inflows/outflows from operating, investing, and financing activities. Cash flows from operating, investing, and financing activities for the discontinued business area are presented separately in the Notes to the Financial Statements. Furthermore, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form.

If, however, a discontinued business area does not fulfill the requirements of IFRS 5.32, assets and liabilities held for sale are separately disclosed in the consolidated statement of financial position in aggregated form. No adjustment is made to prior-year figures. The assets and liabilities disclosed in aggregated form in the statement of financial position are explained in more detail in the Notes to the Financial Statements, broken down by key groups. In this case, no separate disclosure is made in the consolidated income statement.

PROVISIONS

Provisions for pensions and similar obligations are determined in accordance with the projected unit credit method prescribed by IAS 19, based on actuarial reports, applying the "Heubeck-Richttafeln 2018 G" mortality tables. In this connection, the demographic assumptions applied, as well as expected salary and pension trends and the interest rate to be used, are determined on the basis of current estimates as at the reporting date. Accordingly, actuarial gains and losses can result from deviations between the actual parameters as at the reporting date and the assumptions used for the calculation. These actuarial gains and losses – as well as income deriving from plan assets that are not included in net interest – are recognized immediately and completely as they arise and are disclosed as generated Group equity. Past service cost is recognized immediately as an expense in profit or loss.

To determine the net obligation deriving from defined benefit plans, the fair value of the plan assets is deducted from the present value of the pension obligations.

Other provisions are set up for all other uncertain obligations and risks of the Aurubis Group provided that a related obligation to third parties results from a past event, the settlement of which is expected to result in an outflow of cash resources, and the respective amount can be reliably estimated. If the effect of the time value of money is material, non-current provisions are recognized at their present value.

OTHER NON-FINANCIAL LIABILITIES

Other non-financial liabilities are recognized at amortized cost.

Contractual liabilities are recorded when one of the parties has fulfilled its contractual obligation. This primarily applies to advance payments received in respect of customer orders that are recognized under other non-financial liabilities.

Significant estimates and assumptions

Accounting and measurement in the consolidated financial statements are influenced by a large number of estimates and assumptions, which are based on past experience as well as additional factors, including expectations about future events. All estimates and assessments are subject to continuous review and re-evaluation. The use of estimates and assumptions is especially necessary in the following areas:

IMPAIRMENT OF GOODWILL AND OF A LICENSE ACQUIRED FOR A CONSIDERATION

An impairment test is carried out at least annually in line with the accounting policies. In this context, the recoverable amount is calculated on the basis of the value in use – refer to the section Intangible assets, pages 161-163. The calculation of the value in use in particular requires estimates of future cash flows on the basis of calculations made for planning purposes.

No impairment loss was recognized for other goodwill amounts or for the licenses acquired for a consideration.

FAIR VALUE IN THE CASE OF BUSINESS COMBINATIONS

Acquired assets, liabilities, and contingent liabilities are recognized at their fair values when accounting for business combinations. Discounted cash flow (DCF)-based procedures, the results of which depend on assumed future cash flows and other assumptions, are often used in this context. The measurement of contingent liabilities depends significantly on the assumptions with respect to the future resource outflows and the probability of their occurrence.

FAIR VALUES OF DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The fair values of financial instruments for which there are no quoted prices in an active market are determined on the basis of financial calculation procedures and are influenced by assumptions specific to the instrument. Estimates have a particularly significant influence when the fair value needs to be determined for financial instruments for which at least one significant parameter is not based on observable market data (Level 3 of the fair value hierarchy). The selection and application of suitable parameters and assumptions require an assessment by management. Extrapolation and interpolation procedures have to be applied in particular when data is derived from uncommon market transactions. Detailed information about this can be found in the section Financial instruments, pages 179-191.

ACCOUNTING FOR INVENTORIES

Various estimates have to be made in connection with the accounting treatment of inventories. For example, estimation procedures are applied when quantifying inventories as well as in the determination of the metal yield content.

PENSION PROVISIONS AND OTHER PROVISIONS

Within the Aurubis Group, retirement benefits for employees are provided on the basis of both defined benefit plans and defined contribution plans.

Obligations deriving from defined benefit pension plans are measured in accordance with actuarial procedures. These procedures are based on several actuarial assumptions, such as, for example, the assumed interest rate, expected salary and pension developments, employee fluctuations, and life expectancy. For the purposes of determining the assumed interest rate, high-quality corporate bonds with commensurate terms and currencies are used as a source of reference. Deviations of the actual development from the assumptions at the beginning of the reporting period lead to remeasurement of the net liability.

When recognizing other provisions, assumptions are made with regard to the probability of the occurrence and the amount and timing of the outflow of resources, which by their nature are subject to uncertainty.

DISCONTINUED OPERATIONS AND ASSETS HELD FOR SALE

In accordance with IFRS 5, discontinued operations are measured at the lower of their carrying amount and their fair value less costs to sell.

OTHER ESTIMATES

Other significant estimates relate to the determination of the useful lives of intangible assets and items of property, plant, and equipment, the collectability of receivables, and the measurement of inventory risks within inventories.

Changes in accounting and measurement methods due to new standards and interpretations

The following standards were applied for the first time in fiscal year 2020/21.

Standards and interpretations applied for the first time

	Standard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impact
Frame-work	Revision of the conceptual framework and amendments to references to the conceptual framework in the IFRS standards	1/1/2020	11/29/2019	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 3	Change in the Definition of a Business	1/1/2020	4/21/2020	No impacts
IAS 1/ IAS 8	Definition of “Material”	1/1/2020	11/29/2019	No impacts
IFRS 7/9, IAS 39	Amendments: Interest Rate Benchmark Reform (Phase 1)	1/1/2020	1/15/2020	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 16	Amendments: COVID-19-Related Rent Concessions	6/1/2020	10/9/2020	No impacts

Standards and interpretations for which early adoption has not been applied

	Standard/interpretation	Compulsory application in the EU	Adoption by European Commission	Impact
IFRS 4/7/9/16, IAS 39	Amendments: Interest Rate Benchmark Reform (Phase 2)	1/1/2021	1/13/2021	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 4	Insurance Contracts – Postponement of implementation date for IFRS 9	1/1/2021	12/15/2020	Based on our current understanding, Aurubis does not expect any material effects.
IFRS 16	Extension beyond June 30, 2021: COVID-19-Related Rent Concessions	4/1/2021	8/30/2021	No impacts
IFRS 3	Amendments: Reference to the Conceptual Framework	1/1/2022	6/28/2021	Based on our current understanding, Aurubis does not expect any material effects.
IAS 37	Amendments: Onerous Contracts – Costs of Fulfilling a Contract	1/1/2022	6/28/2021	Based on our current understanding, Aurubis does not expect any material effects.
IAS 16	Amendments: Property, Plant and Equipment – Proceeds before Intended Use	1/1/2022	6/28/2021	Based on our current understanding, Aurubis does not expect any material effects.
Various	Annual Improvements to IFRS (2018-20 cycle)	1/1/2022	6/28/2021	No impacts
IFRS 17	Insurance Contracts	1/1/2023	Open	No impacts
IAS 1	Amendments: Classification of Liabilities as Current or Non-current	1/1/2023	Open	No impacts
IAS 1	Disclosure of Accounting Policies	1/1/2023	Open	Based on our current understanding, Aurubis does not expect any material effects.
IAS 8	Definition of Accounting Estimates	1/1/2023	Open	Based on our current understanding, Aurubis does not expect any material effects.
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1/1/2023	Open	No impacts

Acquisitions and assets held for sale

ACQUISITIONS

On November 13, 2020, Aurubis AG, Cablo Metall-Recycling & Handel GmbH, and TSR Recycling GmbH & Co. KG signed an agreement to establish a joint venture for cable recycling. On April 22, 2021, the European Commission issued antitrust clearance for the planned joint venture. The transaction was concluded on May 31, 2021. Aurubis holds a 40 % share interest in the joint venture, Cablo GmbH Investments measured using the equity method, page 166.

ASSETS HELD FOR SALE

Aurubis AG intends to sell the FRP plant in Zutphen (Netherlands) as well as the slitting centers in Birmingham (United Kingdom), Dolný Kubín (Slovakia), and Mortara (Italy) with about 360 employees. A related term sheet was signed in August 2021. From a current perspective, the Executive Board assumes that the sale will be completed within the twelve-month period pursuant to IFRS 5.

With the signing of the term sheet, assets amounting to € 138 million and liabilities amounting to € 38 million are classified as held for sale in accordance with IFRS 5. The presentation and measurement rules specified in IFRS 5 must be applied for these assets and liabilities. These include, among other requirements, an aggregated disclosure of assets and liabilities held for sale in the consolidated statement of financial position.

The following overview shows the carrying amounts of the assets held for sale and related liabilities (prior-year figures relate to the assets and liabilities of Cablo Metall-Recycling & Handel GmbH):

in € million	9/30/2021	9/30/2020
Assets		
Fixed assets	9	3
Inventories	62	3
Current receivables and other assets	43	5
Cash and cash equivalents	23	0
Assets held for sale	**138**	**11**
Liabilities		
Deferred tax liabilities	0	1
Non-current provisions	2	0
Non-current liabilities	1	0
Current provisions	2	0
Current liabilities	33	6
Liabilities deriving from assets held for sale	**38**	**7**

In connection with the partial sale of the Flat Rolled Products Segment described above, an impairment loss of € 19.6 million before tax was recognized in the consolidated net income statement under depreciation and amortization during the fiscal year reported.

Notes to the income statement

1. REVENUES

Analysis by product group in € thousand	2020/21	2019/20
Wire rod	6,208,810	3,907,356
Precious metals	3,524,965	3,477,041
Copper cathodes	2,902,533	2,499,416
Shapes	1,211,104	746,912
Strip, bars, and profiles	1,457,561	1,073,027
Other products	994,864	724,790
	16,299,837	**12,428,542**

A further breakdown of Aurubis Group revenues by Group segments is provided in the context of Segment Reporting, pages 193-197.

As at September 30, 2021, the value attributable to (partially) unfulfilled performance obligations was € 425,340 thousand (previous year: € 979,161 thousand). This amount is expected to be recorded as revenue within the next two fiscal years.

A remeasurement effect of € -15,641 thousand in fiscal year 2020/21 derived from supply contracts for which prices had not been fixed (previous year: € -15,916 thousand).

With regard to performance obligations in the Aurubis Group, these include no significant financing components since the payment terms agreed in the respective markets are mainly of a short-term nature.

2. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS

in € thousand	2020/21	2019/20
Finished goods	136,002	129,488
Work in process	10,352	-11,492
	146,354	**117,996**

The changes in inventories of finished goods and work in process reflect the high copper price level during the fiscal year. The decrease in intermediate products, which was connected with the maintenance shutdown at the Pirdop site at the end of the fiscal year, among other factors, had a counteracting effect.

3. OWN WORK CAPITALIZED

Own work capitalized of € 31,898 thousand (previous year: € 22,517 thousand) primarily includes production costs and purchased materials and services. The increase in the fiscal year is primarily the result of activities connected to the planned maintenance shutdown at our Pirdop site and investments to reduce diffuse emissions in Hamburg.

4. OTHER OPERATING INCOME

in € thousand	2020/21	2019/20
Cost reimbursements	27,494	19,601
Compensation and damages	15,701	1,869
Gains on disposal of fixed assets	8,584	163
Income deriving from reversals of impairment losses	6,388	0
Income deriving from the reversal of provisions	1,382	2,390
Other income	13,296	9,384
	72,845	**33,407**

Other operating income in the fiscal year includes € 15,030 thousand in income from insurance compensation connected to the severe weather impacts at the Stolberg site. Moreover, income deriving from the sale of property, plant, and equipment to the joint venture Cablo GmbH is recognized in the amount of € 5,779 thousand Investments measured using the equity method, page 166.

5. COST OF MATERIALS

in € thousand	2020/21	2019/20
Raw materials, supplies, and merchandise	14,230,396	10,847,018
Cost of purchased services	406,652	351,121
	14,637,048	**11,198,139**

The cost of materials ratio, represented by the ratio of the cost of materials to revenues and changes in inventories, was 89.0 % (previous year: 89.3 %).

6. PERSONNEL EXPENSES AND EMPLOYEE NUMBERS

in € thousand	2020/21	2019/20
Wages and salaries	433,266	445,660
Social security contributions, pension and other benefit expenses	120,896	106,912
	554,162	**552,572**

Pension expenses include allocations to the provisions for pensions.

The average number of employees in the Group during the year was as follows:

	2020/21	2019/20
Blue collar	4,352	4,220
White collar	2,544	2,418
Apprentices	288	259
	7,184	**6,897**

The increase in the number of employees in the Group is primarily due to the acquisition of the Beerse and Berango sites in the previous year. For purposes of reporting the annual average figures in the previous year, the numbers for employees of these sites were only included proportionally from the date of inclusion in the consolidated financial statements. Without this effect, there would have been a decrease to 6,815 employees. The decline in the number of employees is primarily connected with cost reduction measures within the context of the Performance Improvement Program, as well as the transfer of employees to a joint venture.

Among other components, the total compensation of the Aurubis AG Executive Board members who were newly appointed from fiscal year 2017/18 onwards includes a share-based compensation component with a cash settlement.

The following parameters were taken as a basis for the calculation of the fair value of the virtual deferred stock compensation plan:

	9/30/2021
Share price (in €)	65.38
Max. exercise price (in €)	103.40
Expected volatility (weighed average, in %)	33.00
Expected term (weighed average, in years)	2.00
Expected dividend (in %)	2.29
Risk-free interest rate (based on government bonds, in %)	-0.70
Fair value (in € thousand)	1,423

The expected volatility is based on an assessment of the historic volatility of the company's share price, especially in the period that corresponds to the expected term.

The personnel expenses deriving from the deferred stock compensation plan amounted to € 685 thousand in the fiscal year reported (previous year: € 660 thousand) and are included in the same amount as provisions at the reporting date.

7. DEPRECIATION AND AMORTIZATION

Depreciation of property, plant, and equipment and amortization of intangible assets totaled € 218,962 thousand (previous year: € 209.826 thousand) for the Group. This comprises depreciation of € 205,601 thousand (previous year: € 186,538 thousand) on property, plant, and equipment and amortization of € 13,361 thousand (previous year: € 23,288 thousand) on intangible assets.

The amortization of intangible assets included no impairment losses on goodwill. The previous year included an impairment loss of € 17,439 thousand on goodwill of the Copper Products Hamburg cash-generating unit (CGU).

In addition to scheduled depreciation of property, plant, and equipment, depreciation charges in the year reported include impairment losses of € 26,747 thousand (previous year: € 24,594 thousand). This includes impairment losses of € 19,602 thousand on assets held for sale.

The total figure of € 223,946 thousand (previous year: € 214,800 thousand) that is reported for depreciation of property, plant, and equipment and amortization of intangible assets in the tables showing changes in assets includes depreciation on investments in connection with an electricity supply contract of € 4,984 thousand (previous year: € 4,974 thousand), which is disclosed under cost of materials.

A detailed breakdown of the depreciation of property, plant, and equipment and amortization of intangible assets is provided in the summary of changes in the Group's Intangible assets, pages 161-163 and Property, plant, and equipment, page 163-165.

8. OTHER OPERATING EXPENSES

in € thousand	2020/21	2019/20
Selling expenses	127,611	117,783
Administrative expenses	95,588	92,811
Allocations to provisions	10,162	1,306
Other taxes	3,632	3,094
Sundry operating expenses	73,867	51,339
	310,860	**266,333**

The selling expenses mainly comprise freight costs. The allocations to provisions mainly include environmental risks amounting to € 10,032 thousand.

The increase in sundry operating expenses results particularly from expenses connected with the severe weather impacts at the Stolberg site (€ 11,009 thousand). Furthermore, sundry operating expenses include expenses for temporary work, research and development, and the operation of the IT systems.

9. RESULT FROM INVESTMENTS MEASURED USING THE EQUITY METHOD

The result from investments measured using the equity method of € 18,705 thousand (previous year: € 6,455 thousand) comprises the shareholdings in Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, and Cablo GmbH.

10. INTEREST

in € thousand	2020/21	2019/20
Interest income	3,613	6,679
Interest expense	-18,478	-18,832
	-14,865	**-12,153**

The interest income in the fiscal year mainly derives from interest-bearing customer receivables. The previous year was also positively influenced by interest income from a successfully contested arbitration case.

The interest expense primarily results from borrowings. Among other items, the interest expense includes the net interest deriving from defined benefit plans, amounting to € 2,513 thousand (previous year: € 2,842 thousand).

11. OTHER FINANCIAL RESULT

in € thousand	2020/21	2019/20
Other financial income	7	88
Other financial expenses	-8,454	-2,659
	-8,447	**-2,571**

The other financial expenses in the fiscal year derive from impairment losses recognized against the carrying amounts of two non-consolidated subsidiaries.

12. INCOME TAXES

Income taxes comprise both current income taxes as well as deferred taxes. Tax liabilities and receivables include obligations or claims deriving from domestic and foreign income taxes for previous years and for the current year. Income taxes were made up as follows:

in € thousand	2020/21	2019/20
Current tax expenses/credits	94,049	69,394
Deferred tax expenses/credits	118,265	32,566
Income taxes	**212,314**	**101,960**

Current taxes include tax expenses of € 895 thousand (previous year: € 41 thousand) and deferred taxes include tax credits of € 574 thousand (previous year: € 119 thousand) deriving from earlier fiscal years.

Applicable German tax legislation for fiscal year 2020/21 foresees a corporate income tax rate of 15 %, plus a solidarity surcharge of 5.5 %. The trade tax rate applicable for Aurubis AG amounts to 16.59 %. The tax rates are unchanged from those of the previous year. For the other German Group companies, trade tax rates between 11.03 % and 17.33 % (previous year: 11.08 % and 16.45 %) are applicable. The foreign companies are subject to their respective national income tax rates, which vary between 10 % and 28.97 % (previous year: 10 % and 29.58 %).

The Group taxes include tax effects from foreign subsidiaries to a significant degree. As a consequence, the tax rate of the German parent company of 32.41 % (previous year: 32.41 %) is not applied as the Group tax rate for calculation purposes, but a Group-wide mixed tax rate of 25.60 % (previous year: 23.90 %) is used instead.

The main contributions to earnings were from Aurubis AG, Aurubis Bulgaria AD, Aurubis Belgium, and Metallo Belgium (in the previous year, the main contributions to earnings were from Aurubis AG and Aurubis Bulgaria AD).

The actual income taxes of € 212,314 thousand (previous year: € 101,960 thousand) were € 1,053 thousand higher (previous year: € 14,176 thousand) than the expected income tax expense of € 211,261 thousand (previous year: € 87,784 thousand). The difference between the expected and the actual income tax expense is due to the reasons outlined in the following tax reconciliation:

Reconciliation

in € thousand	2020/21	2019/20
Earnings before taxes	**825,295**	**367,323**
Expected tax charge of 25.60 % (previous year: 23.90 %)	**211,261**	**87,784**
Reconciliation effects to derive the actual tax charge		
– changes in tax rates	35	-3,020
– non-recognition and correction of deferred taxes	-2,868	7,852
– taxes for previous years	1,640	1,411
– non-deductible expenses	4,529	3,940
– non-taxable income/trade tax reductions	-3,817	-770
– notional interest deduction (Belgium)	0	-12
– outside basis differences	559	114
– permanent differences	2,956	1,491
– measurement at equity	-2,001	-911
– impairment of goodwill	0	3,605
– other	20	476
Income taxes	**212,314**	**101,960**

In fiscal year 2020/21, there are no significant effects from changes in tax rates. In the previous fiscal year, the effect amounting to € -3,020 thousand mostly resulted from the change in the tax rate in Belgium.

Effects deriving from the non-recognition and correction of deferred taxes primarily result from the fact that deferred tax assets on loss carryforwards were partially recognized. Furthermore, loss carryforwards that weren't recognized as assets in the previous year were utilized in this year. Overall, there is a reconciliation effect of € -2,868 thousand (previous year: € 7,852 thousand).

The effect of € 1,640 thousand deriving from taxes for previous years (previous year: € 1,411 thousand) result from adjustments to previous years' tax returns.

The non-deductible expenses mainly include the non-deductible portion of the dividend income.

The effects deriving from permanent differences result from different measurement approaches at the time of initial consolidation and from non-consolidated subsidiaries.

The recognized deferred tax assets and deferred tax liabilities result from the following recognition and measurement differences in individual items in the statement of financial position, from tax loss carryforwards, and from outside basis differences (OBD):

	9/30/2021			9/30/2020	
in € thousand	**Deferred tax assets**	**Deferred tax liabilities**	**Deferred tax income (+)/ expense (-)**	Deferred tax assets	Deferred tax liabilities
Intangible assets	11	14,077	-4,043	6,739	14,062
Property, plant, and equipment	4,156	143,498	-3,383	5,748	145,119
Investments measured using the equity method	0	3,915	-2,309	0	1,612
Inventories	13,779	354,204	-117,703	16,788	238,469
Receivables and other assets	23,422	71,122	-13,585	21,508	56,829
Pension provisions	40,933	2	-647	56,938	153
Other provisions	11,595	8,073	-2,984	9,623	3,181
Liabilities	93,391	22,907	21,503	59,786	11,066
Tax loss carryforwards	6,151	0	4,831	1,577	0
Tax credits	222	0	286	0	0
Outside basis differences	0	1,354	-452	0	716
Deferred tax income (+)/expense (-) FRP disposal group	-	-	221	-	-
Total	193,660	619,152	-118,265	178,707	471,207
Offsetting	-175,584	-175,584	-	-169,996	-169,996
Consolidated statement of financial position	**18,076**	**443,568**	**-**	**8,711**	**301,211**

€ 112,264 thousand (previous year: € 75,660 thousand) of the deferred tax assets and € 450,870 thousand (previous year: € 301,793 thousand) of the deferred tax liabilities will be realized within the next twelve months. Deferred tax assets of € 81,396 thousand (previous year: € 103,047 thousand) and deferred tax liabilities of € 168,282 thousand (previous year: € 169,414 thousand) will be realized after more than twelve months. These figures represent the amounts prior to offsetting.

The income taxes to be accounted for in other comprehensive income (OCI) are distributed among the following areas:

in € thousand	9/30/2021 Balance	9/30/2021 Change	9/30/2020 Balance	9/30/2020 Change
Deferred taxes				
Derivatives	-5,531	777	-6,308	-9,185
Pension provisions	-1,613	-14,996	13,383	-27,650
Total	**-7,144**	**-14,219**	**7,075**	**-36,835**
Current taxes	-1,859	-77	-1,782	630

With respect to the change in OCI deriving from pension provisions, please refer to note 25 in the notes to the statement of financial position Pension provisions and similar obligations, page 171–174.

The realization of deferred tax assets is considered to be sufficiently probable after taking the Group's forecast development plans and the profit expectations of the subsidiaries into account. Deferred tax assets are recognized in respect of loss carryforwards to the extent that deferred tax liabilities were available or if the companies concerned had positive future earnings forecasts.

Loss carryforwards (excluding the FRP disposal group) existed totaling € 45,607 thousand (previous year: € 106,406 thousand). Deferred tax assets of € 6,151 thousand (previous year: € 1,577 thousand) were recognized in respect of income tax losses of € 30,678 thousand (previous year: € 8,502 thousand). Deferred tax assets of € 222 thousand were recognized during the year reported in respect of tax credits (previous year: € 0 thousand).

No deferred tax assets were set up with respect to loss carryforwards of € 14,929 thousand (previous year: € 97,904 thousand), as the possibility of utilizing them is believed to be unlikely from a current perspective. Of the tax loss carryforwards deemed not to be utilizable, an amount of € 14,929 thousand (previous year: € 35,103 thousand) can be carried forward indefinitely.

Deferred tax liabilities of € 1,354 thousand (previous year: € 716 thousand) were set up with respect to the differences between the proportional equity of subsidiaries recognized in the consolidated statement of financial position and the investment carrying amounts for these subsidiaries shown in the tax-based records of the respective parent company (so-called outside basis differences) as at the reporting date. No deferred tax liabilities were set up for outside basis differences deriving from undistributed earnings of subsidiaries amounting to € 20,508 thousand (previous year: € 21,885 thousand), since the reversal of these differences is unlikely in the foreseeable future.

13. CONSOLIDATED NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Of the reported consolidated net income for 2020/21 of € 612,981 thousand (previous year: € 265,363 thousand), a share of income of € 185 thousand (previous year: € 191 thousand) is attributable to shareholders other than the shareholders of Aurubis AG, Hamburg. This relates to the non-controlling interests in Aurubis Bulgaria AD, Pirdop.

14. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the consolidated net earnings excluding the non-controlling interests by the weighted average number of shares outstanding during the fiscal year.

in thousand units	Issued shares	Treasury shares	Shares outstanding
Start of fiscal year	44,957	977	43,980
Acquisition of treasury shares	0	321	-321
Number of shares at 9/30/2021	44,957	1,298	43,659
Weighted number of shares	**44,957**	1,283	**43,674**

in € thousand	2020/21	2019/20
Consolidated net income attributable to Aurubis AG shareholders	612,796	265,172
Weighted average number of shares (in thousand units)	43,674	44,583
Basic earnings per share (in €)	**14.03**	**5.95**
Diluted earnings per share (in €)	**14.03**	**5.95**

Diluted earnings per share are determined by augmenting the average number of the shares outstanding during the fiscal year to include the maximum number of potential shares. Potential shares are the maximum number of stock options or shares that could be issued if all conversion rights on convertible bonds were exercised, or other contractual rights that give the shareholder the right to purchase shares. Where applicable, the consolidated net income is increased at the same time by the interest expense incurred on convertible bonds less the corresponding taxes.

Since such financial instruments and other rights existed neither in the reporting year nor in the prior year, the diluted earnings per share for the Aurubis Group correspond to the basic earnings per share.

Notes to the statement of financial position

15. INTANGIBLE ASSETS

The development of the costs of acquisition or generation and the accumulated amortization and impairment-related write-downs of the intangible assets are as follows:

Costs of acquisition or generation

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2020	228,698	51,826	4,931	285,455
Assets held for sale	-2,070	0	0	-2,070
Additions	4,772	0	1,346	6,118
Disposals	-1,749	0	-658	-2,407
Transfers	4,014	0	-3,771	243
9/30/2021	**233,665**	**51,826**	**1,848**	**287,339**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2020	-71,549	-41,961	0	-113,510
Assets held for sale	1,767	0	0	1,767
Amortization and impairment losses for the fiscal year	-17,696	0	-649	-18,345
Disposals	832	0	649	1,482
9/30/2021	**-86,645**	**-41,961**	**0**	**-128,606**

Carrying amount

in € thousand	**9/30/2021**	9/30/2020
Intangible assets		
Franchises, industrial property rights, and licenses	147,020	157,149
Goodwill	9,865	9,865
Payments on account for intangible assets	1,848	4,931
	158,733	**171,945**

Costs of acquisition or generation

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Payments on account for intangible assets	Total
10/1/2019	158,166	43,170	7,653	208,990
Assets held for sale	-221	0	0	-221
Changes in the scope of consolidation	63,000	8,656	0	71,655
Additions	2,101	0	3,202	5,303
Disposals	-272	0	0	-272
Transfers	5,924	0	-5,924	0
9/30/2020	**228,698**	**51,826**	**4,931**	**285,455**

Amortization and impairment losses

in € thousand	Franchises, industrial property rights, and licenses	Goodwill	Total
10/1/2019	-61,209	-24,522	-85,731
Assets held for sale	221	0	221
Amortization and impairment losses for the fiscal year	-10,823	-17,439	-28,262
Disposals	262	0	262
9/30/2020	**-71,549**	**-41,961**	**-113,510**

Carrying amount

in € thousand	9/30/2020	9/30/2019
Intangible assets		
Franchises, industrial property rights, and licenses	157,149	96,958
Goodwill	9,865	18,648
Payments on account for intangible assets	4,931	7,653
	171,945	**123,259**

Intangible assets comprise licenses acquired for a consideration, primarily in connection with a long-term electricity supply contract, as well as goodwill on consolidation arising in the Aurubis Group.

As in the prior year, most of the goodwill (€ 8,656 thousand) is attributable to Metallo (€ 8,656 thousand).

There was no requirement to recognize impairment losses as at September 30, 2021. In the previous year, the impairment test led to an impairment loss of € 17,439 thousand, comprising the full amount of goodwill for the Copper Products Hamburg CGU.

Aurubis carries out an impairment test on goodwill at least annually. For the impairment test on goodwill, the goodwill acquired in conjunction with a business combination is allocated to the CGU that is expected to benefit from the synergies of the business combination. If the carrying amount of the CGU to which the goodwill was allocated exceeds its recoverable amount, a commensurate impairment loss is recognized on the allocated goodwill.

The recoverable amount is the higher of the fair value less costs to sell and value in use. Aurubis determines the recoverable amount on the basis of the value in use. The value in use is determined by means of discounting future cash flows after taxes with a risk-adjusted discount rate (WACC) after taxes (discounted cash flow method). Due to the calculated cash flows after taxes, a cost of capital after taxes is used as well.

The cash flow estimates cover a planning horizon of four years before transferring to perpetuity. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management's assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1 %. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets.

The WACC used for discounting purposes amounted to 7.3 % after taxes or 10.4 % before taxes as at September 30, 2021 (previous year: 6.8 % after taxes or 9.7 % before taxes).

As in the prior year, there was no requirement to recognize impairment losses on intangible assets with a limited useful life.

Development costs of € 726 thousand (previous year: € 312 thousand) were capitalized during the fiscal year reported. Research costs are recognized in profit or loss for the respective periods Research & Development, page 191.

16. PROPERTY, PLANT, AND EQUIPMENT

The costs of acquisition or construction and the accumulated depreciation and impairment losses on property, plant, and equipment are as follows:

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2020	808,683	2,550,187	134,592	142,674	3,636,136
Assets held for sale	-22,485	-52,212	-2,073	-761	-77,531
Currency exchange rate differences	225	865	155	118	1,363
Additions	10,847	48,825	11,109	164,897	235,678
Disposals	-6,115	-78,373	-9,215	-591	-94,294
Transfers	34,991	115,221	2,721	-153,176	-243
9/30/2021	**826,146**	**2,584,513**	**137,289**	**153,161**	**3,701,109**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Payments on account for assets under construction	Total
10/1/2020	-418,655	-1,493,408	-78,253	-5,020	-1,995,336
Assets held for sale	17,214	48,790	1,886	599	68,489
Currency exchange rate differences	-74	-651	-134	-13	-872
Reversal of impairment losses in the fiscal year	2,509	1,107	72	0	3,688
Depreciation and impairment losses for the fiscal year	-39,258	-150,565	-16,189	410	-205,601
Disposals	5,598	72,167	7,272	413	85,450
9/30/2021	**-432,666**	**-1,522,560**	**-85,346**	**-3,611**	**-2,044,183**

Carrying amount

in € thousand	9/30/2021	9/30/2020
Property, plant, and equipment		
Land and buildings	393,481	390,028
Technical equipment and machinery	1,061,954	1,056,779
Other equipment, factory and office equipment	51,942	56,339
Payments on account for assets under construction	149,549	137,654
	1,656,927	**1,640,800**

Costs of acquisition or construction

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Leased assets	Payments on account for assets under construction	Total
10/1/2019	702,532	2,220,597	112,100	60,029	143,423	3,238,681
Assets held for sale	-5,067	-6,149	-1,732	0	-339	-13,288
Currency exchange rate differences	-878	-5,669	-651	0	-284	-7,481
Changes due to the initial application of IFRS 16	13,973	77,490	3,087	-60,029	0	34,521
Changes in the scope of consolidation	77,464	141,799	7,168	0	1,386	227,818
Additions	13,260	77,616	13,031	0	103,710	207,617
Disposals	-5,619	-41,258	-4,790	0	-63	-51,731
Transfers	13,018	85,762	6,379	0	-105,159	0
9/30/2020	**808,683**	**2,550,187**	**134,592**	**0**	**142,674**	**3,636,137**

Depreciation and impairment losses

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Leased assets	Payments on account for assets under construction	Total
10/1/2019	-394,061	-1,378,519	-71,101	-24,718	-1,304	-1,869,703
Assets held for sale	3,884	5,101	1,019	0	0	10,004
Currency exchange rate differences	186	3,361	487	0	156	4,191
Changes due to the initial application of IFRS 16	-5,648	-19,070	0	24,718	0	0
Changes in the scope of consolidation	0	6	0	0	0	6
Depreciation and impairment losses for the fiscal year	-25,495	-143,971	-13,199	0	-3,872	-186,538
Disposals	2,479	39,684	4,541	0	0	46,704
9/30/2020	**-418,655**	**-1,493,408**	**-78,253**	**0**	**-5,020**	**-1,995,336**

Carrying amount

in € thousand	9/30/2020	9/30/2019
Property, plant, and equipment		
Land and buildings	390,028	308,471
Technical equipment and machinery	1,056,779	842,078
Other equipment, factory and office equipment	56,339	40,999
Leased assets	0	35,311
Payments on account for assets under construction	137,654	142,119
	1,640,800	**1,368,978**

In addition to scheduled depreciation, depreciation charges in the year reported include impairment losses of € 26,747 thousand (previous year: € 24,594 thousand), which are recognized against consolidated net income in the line “Depreciation of property, plant, and equipment and amortization of intangible assets.” This includes impairment losses of € 19,602 thousand on assets held for sale. Acquisitions and assets held for sale, page 154. In addition, an impairment test carried out due to the reduced profitability of the assets of the CGU Copper Products Olen resulted in a requirement to recognize impairment losses of € 3,288 thousand. These relate to technical equipment and machines (€ 1,294 thousand) and land and buildings (€ 1,994 thousand). The fair value less costs of disposal calculated for CGU Copper Products Olen amounts to € 25,360 thousand.

In the impairment test process, the total carrying amounts for a CGU are compared to the respective recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use. The recoverable amount was determined based on the value in use for purposes of the impairment test.

The value in use was calculated by determining the present value of the expected cash flows (discounted cash flow). The planning process for the expected cash flows covers a planning period of four years. The cash flows were established within the scope of a qualified planning process including use of internal company values based on past experience and extensive market knowledge, and they take into consideration management’s assessment and estimates regarding the future development of the regional market.

In addition to the weighted capital costs, the significant assumptions used to calculate the value in use are the forecast earnings trend and the sustainable growth rate of the terminal value at a level of 1 %. The growth rate was derived from future expectations and does not exceed the long-term average growth rates of the respective markets. The discount rate used for CGU Copper Products Olen amounted to 8.0 % as at September 30, 2021.

The required impairment loss was allocated in accordance with IAS 36.105, whereby external appraisals were used as a basis for the derivation of the fair value less costs of disposal of the main items of property, plant, and equipment. The measurement process for land is based on the comparable value method. The discounted cash flow method was applied to measure the value of the buildings, whereby the asset value method was taken into account for plausibility purposes. The machinery and equipment were measured based on asset value techniques.

Due to the higher demand for copper products, an impairment loss of € 3,688 thousand on property, plant, and equipment belonging to Aurubis Italy, which had been recognized in the previous year, was reversed in the fiscal year reported. The recoverable amount was determined based on the value in use for purposes of the underlying impairment test.

The insurance compensation included in other operating income in the fiscal year for decommissioned property, plant, and equipment at the Stolberg site amounted to € 3,500 thousand.

Disclosures concerning leases are provided in the section “Leases” in note 28 of the Notes to the statement of financial position, pages 178.

No property, plant, and equipment was pledged as security for loans within the Group as at September 30, 2021 and September 30, 2020. Purchase commitments for fixed assets amounted to € 111,530 thousand as at September 30, 2021 I (previous year: € 115,307 thousand).

Minimum stocks are recognized in technical equipment and machinery as components of the respective technical equipment and machinery. Minimum stocks are quantities of materials that are necessary to establish and ensure a production facility’s continuing functionality for its intended use. A total of € 313,507 thousand was attributable to the technical minimum stock as at September 30, 2021 (previous year: € 310,766 thousand).

17. FINANCIAL FIXED ASSETS

in € thousand	**9/30/2021**	9/30/2020
Share interests in affiliated companies	12,544	9,957
Investments	116	131
Other financial fixed assets	52,745	25,528
	65,405	**35,616**

The share interests in affiliated companies and investments included in financial fixed assets in the amount of € 12,660 thousand (previous year: € 10,088 thousand) are classified at fair value in profit or loss pursuant to IFRS 9. The shares are not quoted and there is no active market for them. There is no current intention to sell the share interests.

An overview of the investments included in the financial assets of Aurubis AG, Hamburg, is presented in Investments, pages 202–203.

Other financial fixed assets primarily include securities classified as fixed assets, which mainly comprise a share interest in Salzgitter AG, Salzgitter. For these share interests, Aurubis makes use of the option under IFRS 9 to classify equity instruments as at “fair value through other comprehensive income,” as there is a long-term intention to hold them.

18. INVESTMENTS MEASURED USING THE EQUITY METHOD

Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg, is a joint venture in which Aurubis holds a 50 % share interest. It is operated as a joint venture with a partner and has been assigned to Segment FRP. The business purpose of the company is the production and marketing of pre-rolled strip made of copper and copper alloys.

From May 31, 2021 onwards, Cablo GmbH has been included in the consolidated financial statements as an additional joint venture. Aurubis holds a 40 % share interest in Cablo GmbH. It is operated as a joint venture with a partner and has been assigned to Segment MRP. The business objective is to recover copper granules and plastics.

Pursuant to IFRS 11.24, in conjunction with IAS 28, Schwermetall Halbzeugwerk GmbH & Co. KG and Cablo GmbH are accounted for using the equity method.

The following two tables summarize the financial information prepared in accordance with IFRS, and provide a reconciliation to the investment value that has been recognized. The financial information provided in the table represents the total figures for the company (i.e. 100 %).

SUMMARIZED STATEMENT OF FINANCIAL POSITION AND STATEMENT OF COMPREHENSIVE INCOME

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
(in € thousand)	**2020/21**	2019/20	**2020/21**	2019/20	**2020/21**	2019/20
Assets	**237,495**	**160,187**	**51,343**	**0**	**288,838**	**160,187**
Fixed assets	45,801	46,104	21,226	0	67,027	46,104
Deferred tax assets	0	0	855	0	855	0
Non-current receivables and other assets	10	63	0	0	10	63
Inventories	124,676	93,218	12,844	0	137,520	93,218
Current receivables and other assets	66,974	20,034	14,009	0	80,982	20,034
Cash and cash equivalents	34	767	2,409	0	2,443	767
Liabilities	**237,495**	**160,187**	**51,343**	**0**	**288,838**	**160,187**
Net assets	150,727	110,609	7,872	0	158,599	110,609
Deferred tax liabilities	8,910	3,854	0	0	8,910	3,854
Non-current provisions	7,409	7,105	223	0	7,632	7,105
Non-current liabilities	12,948	11,467	27,000	0	39,948	11,467
Current provisions	9,417	7,808	5	0	9,422	7,808
Current liabilities	48,083	19,345	16,244	0	64,326	19,345
Statement of comprehensive income						
Revenues	516,184	317,929	38,730	0	554,914	317,929
Gross profit	92,100	56,119	2,275	0	94,375	56,119
Depreciation of property, plant, and equipment and amortization of intangible assets	4,694	4,638	559	0	5,253	4,638
Interest income	78	118	0	0	78	118
Interest expense	476	534	133	0	609	534
Earnings before taxes (EBT)	50,629	15,744	-1,008	0	49,621	15,744
less income taxes	10,960	2,497	-855	0	10,105	2,497
Profit/loss of the period	39,669	13,247	-153	0	39,516	13,247

RECONCILIATION OF THE COMBINED FINANCIAL INFORMATION

	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg		Cablo GmbH, Gelsenkirchen		Total	
in € thousand	**2020/21**	2019/20	**2020/21**	2019/20	**2020/21**	2019/20
Net assets as at October 1	**110,609**	**106,746**	**0**	**0**	**110,609**	**106,746**
Addition of Cablo net assets as at 5/31/2021	0	0	8,025	0	8,025	0
Profit/loss of the period	39,669	13,247	-153	0	39,516	13,247
Other comprehensive income/loss	10,949	216	0	0	10,949	216
Distribution	-10,500	-9,600	0	0	-10,500	-9,600
Net assets as at September 30	**150,727**	**110,609**	**7,872**	**0**	**158,599**	**110,609**
Share of joint venture	75,364	55,305	3,149	0	78,512	55,305
Elimination of intra-group profits	149	-149	-2,018	0	-1,869	-149
Income tax effects	0	297	0	0	0	297
Carrying amount	**75,513**	**55,453**	**1,131**	**0**	**76,644**	**55,453**

19. INVENTORIES

in € thousand	9/30/2021	9/30/2020
Raw materials and supplies	1,292,918	1,059,460
Work in process	857,525	858,519
Finished goods, merchandise	653,766	545,792
	2,804,209	**2,463,771**

As at the reporting date, write-downs of € 8,112 thousand were recorded against inventories (previous year: € 5,915 thousand).

20. TRADE ACCOUNTS RECEIVABLE

The trade accounts receivable as at September 30, 2021 and as at September 30, 2020 were due within one year.

The age structure of the trade accounts receivable is as follows:

			of which: not written down as at the reporting date and overdue in the following time spans		
in € thousand	Carrying amount	of which: neither written down as at the reporting date nor overdue	less than 30 days	between 30 and 180 days	more than 180 days
As at 9/30/2021 Trade accounts receivable	512,966	473,539	30,435	6,725	2,267
As at 9/30/2020 Trade accounts receivable	485,282	439,517	39,028	5,473	1,264

Movements on the allowances for trade accounts receivable that were not covered by commercial credit insurance were as follows:

in € thousand	9/30/2021	9/30/2020
Specific allowances Balance as at October 1	**2,888**	**3,149**
Assets held for sale	-198	0
Changes in the scope of consolidation	0	-194
Changes in allowances during the period	34	-67
Additions	34	85
Reversals	0	-153
Exchange rate impacts	0	1
Balance as at September 30	**2,724**	**2,888**

All expenses and income deriving from allowances against trade accounts receivable are shown respectively under other operating expenses or other operating income.

As regards the balances of trade accounts receivable that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

Credit risks deriving from trade accounts receivable were largely hedged by commercial credit insurances.

21. OTHER RECEIVABLES AND OTHER ASSETS

Other receivables and other assets comprise both other financial and other non-financial assets.

Non-current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2021	9/30/2020
Non-current (with a residual term of more than 1 year)		
Derivative financial instruments belonging to the category "FV P&L"	12,800	7,756
Derivative financial instruments held as hedging instruments in the context of hedge accounting	6,523	12,453
Other non-current financial assets	14,555	14,410
Non-current financial assets	**33,878**	**34,619**
Other non-current non-financial assets	1,631	1,430
Non-current income tax receivables	1,306	0
Other non-current non-financial assets	**2,937**	**1,430**

Current receivables and other assets are made up as follows as at the reporting date:

in € thousand	9/30/2021	9/30/2020
Current (with a residual term of less than 1 year)		
Derivative financial instruments belonging to the category "FV P&L"	94,339	57,636
Derivative financial instruments held as hedging instruments in the context of hedge accounting	9,494	16,635
Receivables from related parties	16,028	7,034
Sundry other current financial assets	32,217	17,947
Other current financial assets	**152,078**	**99,252**
Income tax receivables	10,058	9,305
Sundry other current non-financial assets	41,192	34,895
Other current non-financial assets	**51,250**	**44,200**

The increase in derivative financial instruments belonging to the "FV P&L" category mainly resulted from the measurement of forward foreign exchange contracts with a stronger US dollar as at the reporting date and from the measurement of other transactions due to higher energy prices.

The increase in sundry other current financial assets is mainly due to receivables from brokers arising from securities deposited for open derivative transactions.

As in the previous year, the sundry other current non-financial assets mainly comprise VAT receivables. The increase compared to the previous year results from the recognition of receivables from insurance policies.

The sundry other current financial assets include a continuing involvement arising from del credere risks with factoring companies and late payment and currency risks deriving from current trade accounts receivable in the amount of € 9,693 thousand (previous year: € 5,892 thousand). The level of continuing involvement corresponds to the maximum risk of loss, mainly based on the assumption that all receivables open on the reporting date that were sold remain outstanding for the entire period for which Aurubis can be held responsible for the late payment risk.

A liability of € 9,693 thousand was recorded in connection with the continuing involvement (previous year: € 5,882 thousand). All trade accounts receivable sold to factoring companies have a term of less than one year, meaning that the fair value of the continuing involvement and the associated liability each correspond to the carrying amount.

All of the receivables covered by five factoring contracts for which the main opportunities and risks were transferred to the purchaser of the receivables were completely derecognized.

In total, outstanding receivables of € 414,100 thousand (previous year: € 353,829 thousand) had been sold to factoring companies as at the reporting date.

As regards the balance for other financial assets that are neither written down nor overdue, there is no indication as at the reporting date that the debtors will not fulfill their payment obligations.

22. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of current account balances with banks, cash in hand, and checks. Cash at banks mainly comprises euro balances.

23. EQUITY

The share capital amounts to € 115,089,210.88 and is divided into 44,956,723 no-par-value shares, each with a notional amount of € 2.56. Each share includes a voting right and is entitled to dividends. The share capital is fully paid in.

The share capital has been conditionally increased by up to € 57,544,604.16 by issuing up to 22,478,361 new no-par-value shares with a proportionate notional amount per share of € 2.56 of the share capital (conditional capital increase). It will be used to grant shares to the holders or creditors of conversion and/or option rights from convertible bonds, bonds with warrants, profit participation rights or participating bonds (or combinations of these instruments), which can be issued in the period up to March 1, 2022.

Based on a resolution passed at the Annual General Meeting on March 1, 2018, the company was authorized for the period up until February 28, 2023 to repurchase its own shares with a volume of up to 10 % of the share capital. On March 18, 2020, the Aurubis AG Executive Board resolved to purchase company shares up to 10 % of the share capital. The buyback program started on March 19, 2020 and ended at the close of September 17, 2021. The objective of the share buyback program was to use these treasury shares for purposes permitted by the shareholders at the Annual General Meeting, particularly for possible acquisitions or future financing needs. The company held 1,297,693 treasury shares as at September 30, 2021 (previous year: 976,764 treasury shares).

Pursuant to the resolution passed at the Annual General Meeting on February 11, 2021, a dividend of € 1.30 per share was distributed in the reporting year, totaling € 56,756,739.00.

Generated Group equity comprises consolidated net income, the revenue reserves of all Group companies, the accumulated unappropriated earnings of the subsidiaries since their initial consolidation, and the accumulated amounts resulting from consolidation adjustments recognized in profit or loss. In addition, the effects deriving from the remeasurement of the net liability resulting from the defined benefit pension plans (after taxes), which are recorded directly in equity, are also included.

Aurubis AG's legal reserve of € 6,391 thousand, which is not available for distribution, is also included in this amount. The change in generated Group equity from € 2,434,664 thousand as at September 30, 2020, to € 3,025,019 thousand as at September 30, 2021, includes the dividend payment of € 56,757 thousand, effects of € 34,317 thousand (after taxes) recognized in equity deriving from the remeasurement of the net liability resulting from the defined benefit pension plans and the consolidated net income for fiscal year 2020/21 of € 612,796 thousand.

Changes in accumulated other comprehensive income totaling € 20,330 thousand (previous year: € 29,287 thousand) mainly comprise gains and losses of € -7,872 thousand (previous year: € 38,602 thousand) deriving from the measurement at market of cash flow hedges, income taxes of € 699 thousand (previous year: € -8,554 thousand), and € 27,224 thousand (previous year: € -2,193 thousand) deriving from measurement at market of financial investments.

An amount of € -9,923 thousand (previous year: € -2,165 thousand) was transferred during the period from other comprehensive income to the consolidated income statement in the context of cash flow hedge accounting and is primarily recorded in the cost of materials.

The non-controlling interests amounting to € 537 thousand (previous year: € 539 thousand) comprise the interests of non-Group shareholders in the equity of a company that is fully consolidated by Aurubis AG, namely Aurubis Bulgaria AD, Pirdop.

The change in non-controlling interests includes a proportional share of the dividend payment, amounting to € 189 thousand. The consolidated result of € 187 thousand in fiscal year 2020/21 had a counteracting effect.

Changes in equity are presented in detail in the consolidated statement of changes in equity,
Consolidated Statement of Changes in Equity, page 143.

PROPOSED APPROPRIATION OF EARNINGS

The separate financial statements of Aurubis AG, Hamburg, have been prepared in accordance with German accounting principles (HGB – German Commercial Code).

Net income for the year of Aurubis AG	**€ 231,434,386.26**
Retained profit brought forward from the prior year	€ 102,943,474.79
Allocations to other revenue reserves	€ 115,700,000.00
Unappropriated earnings	**€ 218,677,861.05**

A proposal will be made to the Annual General Meeting that Aurubis AG's unappropriated earnings of € 218,677,861.05 are used to pay a dividend of € 1.60 per no-par-value share with a dividend entitlement and that € 148,823,413.05 be carried forward. The freely available shares at the balance sheet date, which numbered 43,659,030 (= € 69,854,448), were taken as a basis.

ADDITIONAL INFORMATION ON CAPITAL MANAGEMENT

The main purpose of the corporate management is to increase the corporate value of the Aurubis Group, in that a positive contribution to the enterprise as a whole is generated beyond the capital costs. The Group's liquidity sourcing is secured through a combination of the Group's cash flow, external borrowing, as well as lines of credit available from our banks. Existing credit facilities and lines of credit can compensate for fluctuations in the cash flow development at any time. The objective is to keep the Group's debt structure in equilibrium in the long term. Control and monitoring are carried out on the basis of defined key ratios. Net debt and liquidity are controlled in the medium and short term by means of regular cash flow forecasts.

One of the main key ratios used to determine and compare profitability is operating ROCE (return on capital employed), which reflects the yield on the capital that is utilized in the operating business or for investments. Operating ROCE defines the operating earnings before interest and taxes together with the operating result from investments measured using the equity method in relation to the operating capital employed as at the reporting date and represents the yield on the capital employed. Capital employed comprises equity and interest-bearing liabilities, less cash and cash equivalents.

Operating ROCE improved to 15.6 % owing to the very good financial performance in the fiscal year, compared to 9.3 % in the previous year.

All external requirements under financial covenants were fulfilled in the fiscal year reported.

24. DEFERRED TAXATION

The breakdown of the deferred tax liabilities is presented in Income taxes, page 151.

25. PENSION PROVISIONS AND SIMILAR OBLIGATIONS

Within the Aurubis Group, retirement benefits for eligible employees are provided on the basis of both defined benefit plans and defined contribution plans.

The majority of defined benefit plan commitments in the Aurubis Group relate to Germany and the US. On the one hand, these represent individual contractual direct commitments. On the other hand, the Group provides benefits in the form of defined benefit commitments within collective plans. Both funded and unfunded plans exist.

In Germany, the Group provides eligible employees with pension benefits as well as disability and surviving dependent benefits. These are provided to a great extent through pension and support funds, the assets of which may solely be utilized to satisfy the Aurubis Group's pension obligations.

Generally, the amount of the pension benefit per qualified year of service is determined as a percentage of a pensionable salary. In Germany, pensions are reviewed every three years and adjusted, where necessary, in a manner corresponding to the price index development.

In Germany, the company pension plan for new employees hired after September 29, 2003, was amended and is now based on defined contribution commitments. Processing is carried out by an external pension fund and an insurance company.

Furthermore, a subsidiary in the US grants employees pension, health care, and life insurance benefits for the period after retirement under specific conditions related to age and duration of employment with the company. These retirement benefits are based on collective agreements that only apply to unionized employees. These represent lifelong pension benefits whose level depends on the duration of employment. The amount of the benefits does not depend on the salary. Health care benefits are provided after the employee leaves the company until an established minimum age. While the pension commitments are mainly financed through the specific assets of a separate pension fund, there is no separate fund for the health care and life insurance benefits provided in the US.

Within the Group, actuarial reports were obtained for all benefit obligations. The reports take uniform Group-wide accounting policies into consideration, while nevertheless reflecting special country-specific circumstances.

In addition to the “Heubeck-Richttafeln 2018 G” mortality tables, the following market discount rates, salary, and pension trends were used as a basis to calculate the pension obligations:

%	9/30/2021	9/30/2020
Discount rate	1.0	0.8
Expected income development	2.8	2.8
Expected pension development	1.6	1.6

A discount rate of 2.8 % (previous year: 2.5 %) was assumed as the basis for the measurement of the pension provision of Aurubis Buffalo, Inc., Buffalo. Income and pension trends are not relevant for the calculation of the pension obligations of the US subsidiary.

The net pension provision for defined benefit obligations disclosed in the consolidated statement of financial position as at September 30, 2021 and September 30, 2020 is as follows:

in € thousand	9/30/2021	9/30/2020
Present value of pension commitments	689,870	712,171
of which funded	555,179	573,290
- Fair value of plan assets	476,143	451,775
Net carrying amount on September 30	**213,727**	**260,396**
of which disclosed as assets	0	0
of which disclosed as liabilities	213,727	260,396

The net liability for benefit commitments, taking into account the separate reconciliations for the present value of the defined benefit obligation and the plan assets, is derived as follows:

Development of the present value of the pension obligations

in € thousand	9/30/2021	9/30/2020
Present value of unfunded benefit obligations	138,881	159,352
Present value of funded benefit obligations	573,290	547,161
Present value of the pension commitments as at October 1	**712,171**	**706,513**
Assets/liabilities held for sale	-3,733	0
Changes in the scope of consolidation	0	32,215
Current service cost	18,059	16,082
Gain deriving from plan settlements	0	-60
Interest cost on the pension obligations	6,743	6,315
Remeasurements	-20,350	-10,755
Actuarial gains/losses deriving from demographic assumptions	839	250
Actuarial gains/losses deriving from financial assumptions	-18,528	-5,299
Actuarial gains/losses deriving from adjustments based on experience	-2,661	-5,706
Benefits paid	-23,730	-21,436
Payments for plan settlements	0	-12,098
Currency exchange rate difference	710	-4,605
Present value of the pension commitments as at September 30	**689,870**	**712,171**

Development of the plan assets

in € thousand	2020/21	2019/20
Fair value of the plan assets as at October 1	**451,775**	**369,739**
Assets/liabilities held for sale	-2,952	0
Changes in the scope of consolidation	0	28,364
Interest income	4,230	3,473
Remeasurement effects	29,216	73,328
Benefits paid	-16,106	-14,964
Payments for plan settlements	0	-12,098
Contributions made by employer	9,632	6,522
Currency exchange rate difference	348	-2,589
Fair value of the plan assets as at September 30	**476,143**	**451,775**

Development of the net liability

in € thousand	2020/21	2019/20
Net liability as at October 1	**260,396**	**336,774**
Assets/liabilities held for sale	-781	0
Changes in the scope of consolidation	0	3,851
Current service cost	18,059	16,082
Gain deriving from plan settlements	0	-60
Net interest result	2,513	2,842
Remeasurement effects	-49,566	-84,083
Benefits paid	-7,624	-6,472
Employer contributions to the plan	-9,632	-6,522
Exchange rate difference	362	-2,016
Net liability as at September 30	**213,727**	**260,396**

The remeasurement effects are directly recorded in other comprehensive income and are disclosed under generated Group equity. The net interest result is disclosed under interest expense. In contrast, the other components of the pension expenses (current and past service cost and the loss deriving from plan settlements) are recorded in personnel expenses.

In Germany, the defined benefit plans are primarily administered through processes in operation within the pension fund and the benefit fund. In this context, the pension fund is overseen by the German Federal Financial Supervisory Authority (BaFin).

Regulations related to the pension fund's capital investment portfolio are defined by the "Ordinance on the Investment of Restricted Assets of Insurance Undertakings (Investment Ordinance)." The Investment Ordinance (AnlV) regulates the permitted quantitative distribution and mix of capital investments for the pension fund. A large portion of the pension fund's assets are invested in a segmented special fund. The contributions are calculated in accordance with the respective current technical business plan.

The risk capital investments (equity instruments and debt instruments with a rating lower than investment grade) may account for a maximum of 35 % of the carrying amount of the pension fund's coverage assets in accordance with the Investment Ordinance. The percentage of real estate held directly or indirectly via an interest in a limited partnership is currently 20.2 % of the carrying amount of the coverage assets. Derivatives are primarily only used for hedging purposes. The risk of longevity is taken into account by the actuary, after performing a review, by adjusting the biometric parameters where necessary.

The benefit fund is also oriented to the Investment Ordinance with respect to permitted capital investments. The contributions are within the range of the tax-related possibilities.

The plan assets in the Group are made up as follows:

in € thousand	9/30/2021	9/30/2020
Cash and cash equivalents	32,496	15,860
Equity instruments	57,058	48,272
Debt instruments	148,491	161,548
Real estate	181,240	169,110
Reinsurance policies	5,367	5,231
Other current net assets	51,491	51,754
Total plan assets	**476,143**	**451,775**

The debt instruments include non-listed shares of a Schuldschein loan issued by Aurubis AG in the amount of € 26,000 thousand. The plan assets do not include any real estate used internally. The equity and debt instruments held via security funds are allocated to their corresponding investment classes in the overview.

Market prices are generally available for the equity instruments as a result of their respective quotations on an active market.

The debt instruments are also regularly traded on an active market.

Real estate is held directly and indirectly and is located exclusively in Germany. There is no active market from which market prices can be derived. Appraisals were obtained for all of the real estate included in the plan assets.

The company is subject to various risks in connection with the defined benefit plans. The company is subject to general technical insurance risks in particular, such as the risk of longevity, the risk of interest rate changes, the market price risk, and, to a small extent, a risk of inflation.

SENSITIVITY ANALYSIS

The following sensitivity analysis shows the effect of changes in the parameters on the present value of the defined benefit obligations. Each change in a significant actuarial assumption was analyzed separately, i.e., if one parameter varied, the other parameters remained constant. Possible correlation effects between the individual assumptions are not taken into consideration in this connection:

		Effect on the obligation			
		9/30/2021		9/30/2020	
in € thousand	Change in parameter	Increase	Decrease	Increase	Decrease
Actuarial interest rate	+/-50 basis points	-52,746	59,983	-55,542	63,753
Expected income development	+/-50 basis points	9,246	-9,178	10,669	-10,082
Expected pension development	+/-50 basis points	36,195	-33,339	39,326	-35,659
Life expectancy	+/-1 year	32,248	-31,671	34,545	-33,335

The undiscounted future pension payments are expected to fall due within the following time bands:

in € thousand	9/30/2021	9/30/2020
Less than 1 year	23,167	23,601
Between 1 and 5 years	102,595	102,453
More than 5 years	680,450	768,367
Total	**806,212**	**894,421**

The weighted average duration of obligations deriving from defined benefit plans as at September 30, 2021 is 17.0 years (previous year: 16.6 years).

The expense for defined contribution pension plans amounted to € 22,602 thousand in the year reported (previous year: € 24,700 thousand). This includes both voluntary commitments and the employer's contribution made by the Group to statutory pension schemes.

26. OTHER PROVISIONS

	Non-current		Current		Total	
in € thousand	**9/30/2021**	9/30/2020	**9/30/2021**	9/30/2020	**9/30/2021**	9/30/2020
Personnel-related provisions	56,285	53,751	39,957	61,158	96,242	114,909
Provisions for onerous contracts	0	0	4,614	784	4,614	784
Environmental provisions	19,239	16,271	7,844	1,806	27,083	18,077
Sundry provisions	1,985	1,710	14,653	13,880	16,638	15,590
	77,509	**71,732**	**67,068**	**77,628**	**144,577**	**149,360**

The individual classes of provisions developed as follows during the fiscal year reported:

in € thousand	Balance as at 10/1/2020	Discontinued operations	Used	Released	Allocated	Interest effect	Transfers	Currency exchange rate difference	**Balance as at 9/30/2021**
Personnel-related provisions	114,909	-2,656	-34,304	-14,359	32,485	147	14	7	96,242
Provisions for onerous contracts	784	0	-784	0	4,614	0	0	0	4,614
Environmental provisions	18,077	0	-796	-254	10,032	28	0	-4	27,083
Sundry provisions	15,590	-568	-5,216	-660	7,500	0	-14	6	16,638
	149,360	**-3,224**	**-41,100**	**-15,273**	**54,631**	**174**	**0**	**9**	**144,577**

Non-current personnel-related provisions primarily include provisions for bridging payments and anniversary bonuses. The weighted average duration of these obligations as at September 30, 2021 is 12.0 years. Moreover, the personnel-related provisions include obligations from partial retirement contracts.

The reversal of personnel provisions of € 14,359 thousand in profit and loss results primarily from the reversal of the restructuring provision set up in the previous year in connection with the Performance Improvement Program.

Provisions for environmental risks primarily relate to clean-up measures at the Lünen and Beerse sites. The provisions have terms of up to 30 years. The probable costs were determined taking into account past experience in comparable cases, existing appraisals, and the clean-up methods that will be used on the basis of present knowledge.

27. LIABILITIES

Financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2021	9/30/2020
Non-current (with a residual term of more than 1 year)		
Bank borrowings	399,726	502,952
Lease liabilities	44,543	52,724
Non-current borrowings	**444,269**	**555,676**
Derivative financial instruments belonging to the category "FV P&L"	57,050	19,702
Liabilities to related parties	0	950
Derivative financial instruments held as hedging instruments in the context of hedge accounting	29	155
Other non-current financial liabilities	**57,079**	**20,807**
Non-current financial liabilities	**501,348**	**576,483**
Current (with a residual term of less than 1 year)		
Trade accounts payable	1,386,525	1,144,025
Trade accounts payable	**1,386,525**	**1,144,025**
Bank borrowings	126,918	15,374
Lease liabilities	10,127	12,262
Current borrowings	**137,045**	**27,636**
Derivative financial instruments belonging to the category "FV P&L"	106,634	53,075
Liabilities to related parties	15,007	10,516
Derivative financial instruments held as hedging instruments in the context of hedge accounting	2,097	23
Sundry other current financial liabilities	97,243	84,720
Other current financial liabilities	**220,981**	**148,334**
Current financial liabilities	**1,744,551**	**1,319,995**

Sundry other current financial liabilities include personnel-related obligations such as Christmas bonus payments, outstanding vacation entitlements, and success-based bonus payments, as well as liabilities related to severance pay for employees.

At a level of € 526,644 thousand as at September 30, 2021, bank borrowings were above those at the previous fiscal year-end (€ 518,326 thousand). A Schuldschein loan of € 102,500 thousand is due as scheduled in February 2022, so this is disclosed under current financial liabilities as at the reporting date.

Aurubis had no bank borrowings secured by mortgages and liens on fixed assets. Financial assets have not been pledged as collateral for bank borrowings.

As at September 30, 2021 payments in the amount of € 292,173 thousand (previous year: € 349,054 thousand) deriving from forward foreign exchange transactions with a negative fair value are matched by receipts of € 289,631 thousand (previous year: € 339,805 thousand). Derivatives with positive fair values qualify as assets and are therefore not included here.

The increase in derivative financial instruments belonging to the "FV P&L" category mainly resulted from the measurement of metal forward contracts, as metal prices were declining at the reporting date.

The following table shows the Aurubis Group's contractually agreed redemption payments for non-derivative financial liabilities and the discounted net cash flows of the derivative financial instruments with negative fair values. Foreign currency amounts are translated at the closing rate.

in € thousand	Carrying amount as at 9/30/2021	Payments less than 1 year	Payments 1 to 5 years	Payments more than 5 years
Bank borrowings	526,644	126,918	326,726	73,000
Lease liabilities	54,670	10,127	26,390	18,153
Trade accounts payable	1,386,525	1,386,525	0	0
Liabilities to related parties	15,007	15,007	0	0
Derivatives belonging to the category "FV P&L"	163,684	106,634	57,050	0
Derivatives designated as hedging instruments for hedge accounting purposes	2,126	2,097	29	0
Sundry other current financial liabilities	97,243	97,243	0	0
Total	**2,245,899**	**1,744,551**	**410,195**	**91,153**

in € thousand	Carrying amount as at 9/30/2020	Payments less than 1 year	Payments 1 to 5 years	Payments more than 5 years
Bank borrowings	518,326	15,374	429,952	73,000
Lease liabilities	64,986	12,262	29,782	22,942
Trade accounts payable	1,144,025	1,144,025	0	0
Liabilities to related parties	11,466	10,516	950	0
Derivatives belonging to the category "FV P&L"	72,777	53,075	19,702	0
Derivatives designated as hedging instruments for hedge accounting purposes	178	23	155	0
Sundry other current financial liabilities	84,720	84,720	0	0
Total	**1,896,478**	**1,319,995**	**480,541**	**95,942**

Non-financial liabilities as at the reporting date are as follows:

in € thousand	9/30/2021	9/30/2020
Non-current (with a residual term of more than 1 year)		
Non-current non-financial liabilities	1,698	1,176
Non-current non-financial liabilities	**1,698**	**1,176**
Current (with a residual term of less than 1 year)		
Income tax liabilities	24,004	17,886
Income tax liabilities	**24,004**	**17,886**
Other tax liabilities	17,445	11,206
Social security obligations	8,175	11,814
Advance payments received on orders	22,837	13,916
Sundry other current non-financial liabilities	11,098	11,543
Other current non-financial liabilities	**59,555**	**48,479**
Current non-financial liabilities	**83,559**	**66,365**

The advance payments received on customer orders reported for the previous year, amounting to € 13,916 thousand, were fully realized as revenues in the fiscal year reported.

Other tax liabilities mainly comprise VAT liabilities.

28. LEASES

As part of its business activities, Aurubis leases facilities that are involved in the storage and handling of copper concentrates, as well as ships and rail tank wagons for the transport of concentrates and sulfuric acid. The company also has lease agreements for office buildings, parking lots, containers, and vehicles. The right-of-use assets accounted for in this regard in fixed assets developed as follows:

in € thousand	Land and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Total
Costs of acquisition or construction 9/30/2020	12,507	78,374	10,899	101,780
Assets held for sale	-1,069	-244	-596	-1,909
Additions	181	1,251	2,464	3,896
Disposals	-1,290	-2,684	-2,178	-6,152
Currency exchange rate differences	61	4	8	73
Costs of acquisition or construction 9/30/2021	**10,389**	**76,701**	**10,597**	**97,687**
Accumulated depreciation and write-downs as at 9/30/2020	-7,395	-27,766	-2,255	-37,416
Assets held for sale	303	104	265	672
Depreciation and impairment losses for the fiscal year	-1,155	-8,795	-3,394	-13,344
Disposals	1,114	2,994	973	5,081
Currency exchange rate differences	-10	-2	-5	-17
Accumulated depreciation and write-downs as at 9/30/2021	**-7,143**	**-33,465**	**-4,417**	**-45,025**
Carrying amounts 9/30/2021	**3,246**	**43,236**	**6,180**	**52,662**

The interest expense for lease liabilities recognized in the income statement amounted to € 1,933 thousand in the fiscal year (previous year: € 2,047 thousand). Expected future payments for lease liabilities total € 66,715 thousand (previous year: € 78,842 thousand).

The following table shows the Aurubis Group's contractually agreed undiscounted interest and redemption payments for lease liabilities and their residual terms.

	9/30/2021				9/30/2020			
in € thousand	Less than 1 year	1 to 5 years	More than 5 years	Total	Less than 1 year	1 to 5 years	More than 5 years	Total
Expected lease payments	**11,888**	**31,668**	**23,158**	**66,714**	**14,171**	**35,648**	**29,023**	**78,842**
Interest portion	1,761	5,278	5,005	12,044	1,909	5,866	6,081	**13,856**
	10,127	26,390	18,153	54,670	12,262	29,782	22,942	**64,986**

In fiscal year 2020/21, expenses of € 5,096 thousand deriving from current lease arrangements (previous year: € 5,121 thousand) and € 705 thousand deriving from leases of low-value assets (previous year: € 1,392 thousand) were recorded. Furthermore, expenses of € 3,010 thousand (previous year: € 2,679 thousand) for variable lease payments that were not included in the measurement of lease liabilities were recognized in profit or loss. Depreciation of right-of-use assets amounted to € 13,344 thousand in the fiscal year (previous year: € 12,773 thousand).

The total cash outflows for leases amounted to € 12,568 thousand (previous year: € 6,675 thousand) in fiscal year 2020/21.

Leases within the Aurubis Group may include extension and termination options. Such options are included in the calculation of the lease liability if there is reasonable assurance that they will be exercised.

As in the previous year, there were no sale-and-leaseback transactions in fiscal year 2020/21.

29. OTHER FINANCIAL COMMITMENTS AND CONTINGENT LIABILITIES/RECEIVABLES

in € thousand	9/30/2021	9/30/2020
Capital expenditure commitments	111,530	115,307
Warranty obligations	1,039	1,230
Commitments relating to discounted bills of exchange	1,351	1,921
Commitments under leases	8,606	8,381

The capital expenditure commitments mainly relate to property, plant, and equipment.

In addition, commitments exist under leases, amounting to € 8,606 thousand, which were not considered for purposes of the measurement of the lease liabilities. These commitments mainly arise from variable lease payments and leases that Aurubis has entered into but which have not yet commenced.

In addition to the commitments already outlined, there are also obligations under long-term contracts.

The securing of our smelter network's supply of raw materials, especially copper concentrates, is of crucial importance. In order to secure this supply, we have entered into long-term agreements with terms of five and ten years. Especially in the case of copper concentrates, pricing is based on the metal content of the transactions, as well as on the applicable LME exchange price at the time of the actual delivery. As both the metal contents and the metal prices are very volatile (and therefore difficult to forecast), from our perspective a reliable quantitative disclosure of the commitments deriving from raw material supply sourcing isn't possible.

Furthermore, an agreement is in place with an energy utility for the cost-based procurement of one billion kilowatt hours of electricity per annum over a term of 30 years, commencing in 2010. As the cost and price components are also subject to a high level of volatility, reliable quantitative disclosure of the related commitment is also not possible in this case.

In addition, the Group has entered into long-term agreements for the supply of oxygen to various sites. The commitments resulting from these agreements amount to € 118,883 thousand (previous year: € 117,016 thousand).

Obligations under other long-term contracts are mainly related to the provision of transport and handling services by various service providers and amount to € 140,344 thousand (previous year: € 204,857 thousand).

As at September 30, 2021, contingent liabilities of € 1,604 thousand (previous year: € 0 thousand) result from environmental risks.

Aurubis receives partial compensation for the CO_2 costs in the electricity price. This compensation arrives with a time delay. The exact time of the compensation payments and their amount can't be reliably estimated at the reporting date, so quantitative information isn't possible.

On July 14, 2021, production at the Stolberg site had to be stopped due to severe weather impacts. Negative effects deriving from rebuilding costs for our plant in Stolberg following the flooding disaster are offset by insurance payments, which were collected in part during the fiscal year already. Aurubis expects to receive additional compensation payments. The exact timing and amount of these can't be reliably estimated at the reporting date, so quantitative information isn't possible.

30. FINANCIAL INSTRUMENTS

The Aurubis Group is exposed to market risks, liquidity risks, and default risks as a result of the deployment of financial instruments.

MARKET RISKS

Market risks arise as a result of a possible change in risk factors that lead to a decrease in the market value of the transactions affected by these risk factors. The following groups of general risk factors are relevant for the Aurubis Group: currency exchange rate risks, interest rate fluctuation risks, and other price risks.

CURRENCY EXCHANGE RATE RISKS

As a result of its business operations, the Aurubis Group is exposed to currency exchange rate fluctuations. Changes in exchange rates can lead to losses in the value of financial instruments. Foreign currency forward and option contracts are concluded to limit currency risks. These mainly relate to the US dollar. For this purpose, the foreign currency positions from underlying transactions are offset against each other on a daily basis and any remaining open positions are squared by means of foreign exchange derivatives. We work exclusively with business partners with good credit standing on all foreign exchange hedge transactions.

Furthermore, foreign currency forward and option contracts were concluded in the past fiscal year to hedge future receipts. Provided the criteria for cash flow hedges were fulfilled, the results of these hedge transactions are initially recognized in the accompanying financial statements in other comprehensive income in the amount of the effective portion of the hedge.

These results are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss. Fundamental shifts in currency relationships, in particular between the euro and the US dollar, can, however, only be hedged for a limited time in this context.

Information on the management of exchange rate risks is provided in the Risk Report in the Management Report, pages 116–126.

The foreign currency risk constitutes a cash flow risk and represents the risk position for the following period. This corresponds to the net amount of the nominal volume of the non-derivative and derivative financial instruments held, which are exposed to currency exchange rate risks. In addition, planned revenue transactions of the following periods are included to the extent that these are taken into account for currency risk management purposes to show the risk position for the following period.

Foreign currency risk

	€/US$	
in € thousand	**9/30/2021**	9/30/2020
Risk position deriving from recorded transactions	-952,780	-394,862
Budgeted revenues	398,739	673,386
Forward foreign exchange contracts	771,848	-38,175
Put option transactions	-98,886	-99,932
Net exposure	**118,921**	**140,417**

IFRS 7 requires a sensitivity analysis to be performed for each type of risk to indicate the market risks. The use of sensitivity analyses determines the potential impacts on profit or loss and on equity, as at the reporting date, of a change in the respective risk variable for each type of risk. The impacts for the periods are determined by relating the hypothetical changes in the risk variables to the amount reported as at the reporting date. In doing so, it is assumed that the amount reported as at the reporting date is representative for the entire year.

In order to determine the exchange rate risk, a sensitivity analysis is performed for the foreign currency that poses a significant risk for the business, in this case the US dollar. For the purpose of the sensitivity analysis for the currencies, it was assumed that the exchange rate of the euro compared with the US dollar would change by +/-10 %, respectively.

If the euro had been 10 % stronger or weaker against the US dollar on September 30, 2021 or September 30, 2020 as compared to the closing rate prevailing on the reporting date, then – from a foreign currency risk perspective – equity and net income for the year would have changed to the extent shown in the following table. All relevant recognized foreign currency items have been included in the calculation, as well as the budgeted revenues of the following period that were considered in the foreign currency risk exposure assessment.

Currency sensitivity

	€/US$	
in € thousand	**9/30/2021**	9/30/2020
Closing rate	1.1579	1.1708
Devaluated rate (€ against US$)	**1.0421**	**1.0537**
Effect on earnings	44,282	74,832
of which budgeted revenues	44,304	74,821
of which non-derivative transactions	15,371	-23,621
of which derivative transactions	-15,393	23,632
Effect on equity	-16,629	-38,561
Appreciated rate (€ against US$)	**1.2737**	**1.2879**
Effect on earnings	-36,248	-61,191
of which budgeted revenues	-36,249	-61,217
of which non-derivative transactions	-12,593	19,361
of which derivative transactions	12,594	-19,335
Effect on equity	16,987	33,318

INTEREST RATE FLUCTUATION RISKS

Interest rate fluctuation risks arise due to potential changes in market interest rates and can result in a change in the fair value of fixed-interest financial instruments and interest payment fluctuations for variable interest rate financial instruments. Any interest rate risks that arise are fundamentally hedged by interest rate swaps. Interest rate fluctuation risks are of significant importance in the financial sector. Provided the criteria for cash flow hedges are fulfilled for the hedging of variable interest payments, the results of these hedge transactions are initially recognized in other comprehensive income in the amount of the effective portion of the hedge transaction. They are recognized in profit or loss as soon as the underlying hedged transaction is recognized in profit or loss in the respective fiscal year. No interest rate hedges were transacted during the fiscal year reported.

Details of how interest rate fluctuation risks are managed are provided in the Risk Report in the Management Report, pages 116–126.

The table below shows the net exposure for variable interest-bearing risk positions.

Variable interest-bearing risk positions

	Total amount		less than 1 year	
in € thousand	**9/30/2021**	9/30/2020	**9/30/2021**	9/30/2020
Loans/time deposits	920,914	453,398	920,914	453,398
Other risk positions	-338,744	-332,602	-338,744	-332,602
of which hedged against the interest rate fluctuation risk	0	0	0	0
Net exposure	**582,170**	**120,796**	**582,170**	**120,796**

In accordance with IFRS 7, interest rate fluctuation risks are presented in a sensitivity analysis, which reflects the effects of a change in market interest rates on interest income, interest expenses and equity.

In the event of an increase (decrease) in all relevant interest rates by 100 basis points (50 basis points), equity and earnings for the year ending September 30, 2021 and September 30, 2020, respectively, would change, as shown by the following table. The same items have been included in the calculation as were considered for the determination of the net exposure presented above.

Interest rate sensitivities

	9/30/2021		9/30/2020	
in € thousand	**+100 BP**	**-50 BP**	+100 BP	-50 BP
Effect on earnings	6,779	-4,014	2,508	-1,817
Effect on equity	0	0	0	0

OTHER PRICE RISKS

As a result of its business operations, the Aurubis Group is exposed to commodity price risks. Among other measures, non-ferrous metals futures contracts are entered into in order to mitigate these price risks. The contracts are mainly focused on the hedging of the copper price. For this purpose, incoming and outgoing metal quantities from underlying transactions are offset against each other on a daily basis and remaining open positions are squared by means of metal exchange transactions. We work exclusively with business partners with good credit standing on all metal hedge transactions.

If price-fixed metal delivery agreements for non-ferrous metals, which are contracted to cover the expected raw material requirement or the expected sale of finished products, are accounted for as derivative financial instruments, then market value changes in these are recognized in profit or loss. Gains and losses from the contrary development of the fair value of the hedged items and the hedge transactions are therefore recognized directly in profit or loss. Details of metal price risk management processes are provided in the Risk Report in the Management Report, pages 116–126.

The Aurubis Group has secured its electricity consumption at the German sites by concluding a long-term agreement with an energy utility. Aurubis is exposed to an electricity price risk from the measurement of part of this agreement.

The nominal volumes of the derivative financial instruments covering copper, silver, and gold, as well as electricity, coal, and gas, which result from the gross total of the nominal amounts of the individual purchasing and sales contracts, are as follows.

Nominal volumes of the derivatives

in € thousand	**9/30/2021**	9/30/2020
Copper	2,513,093	1,196,483
Silver	123,628	115,757
Gold	621,927	485,980
Electricity, coal, gas	285,468	227,596
	3,544,116	**2,025,816**

In accordance with IFRS 7, commodity price risks are shown in the form of a sensitivity analysis, which reflects the effects of a change in the commodity prices on equity and net income for the period.

In the event of a 10 % increase (decrease) in all relevant commodity prices, equity and earnings for the year would be changed for the year ending September 30, 2021 and September 30, 2020 respectively as shown in the following table. The calculation includes all derivatives for copper, silver, and gold, as well as electricity, coal, and gas as at the reporting date.

Commodity price sensitivity

in € thousand	Copper 9/30/2021	Copper 9/30/2020	Silver 9/30/2021	Silver 9/30/2020	Gold 9/30/2021	Gold 9/30/2020	Electricity, coal, gas 9/30/2021	Electricity, coal, gas 9/30/2020
Price increase								
Effect on earnings	27,774	5,808	1,995	3,839	38,381	32,184	1,369	3,132
Effect on equity	0	0	0	0	0	0	1,350	964
Price decrease								
Effect on earnings	-27,774	-5,808	-1,995	-3,839	-38,381	-32,184	-1,369	-3,132
Effect on equity	0	0	0	0	0	0	-1,350	-964

The effects on earnings shown in the commodity price sensitivity table for metals are partially or completely compensated through the measurement of the purchase or sales contracts that are not yet fixed, since these positions are provisionally measured at the respective price on the reporting date.

DERIVATIVE FINANCIAL INSTRUMENTS

The Aurubis Group uses derivative financial instruments to hedge currency exchange rate and other price risks. These are reported - based on their residual term - under other current/non-current financial assets/liabilities. Provided the criteria for the application of hedge accounting are fulfilled, these are treated as cash flow hedges.

Financial derivatives

	Assets				Liabilities			
	9/30/2021		9/30/2020		9/30/2021		9/30/2020	
in € thousand	Carrying amount	Nominal volume	Carrying amount	Nominal volume	Carrying amount	Nominal volume	Carrying amount	Nominal volume
Forward foreign exchange contracts								
without a hedging relationship	16,500	1,137,664	5,813	333,688	1,842	234,011	9,226	346,449
as cash flow hedges	6,492	130,318	24,365	451,801	699	55,634	23	2,519
Foreign currency options								
without a hedging relationship	0	0	0	0	0	0	0	0
as cash flow hedges	1,401	100,622	3,964	104,378	0	0	0	0
Metal futures contracts								
without a hedging relationship	66,953	1,479,561	51,774	849,029	97,509	2,054,174	43,452	1,106,279
as cash flow hedges	21	1,559	0	0	1,427	19,954	0	0
Other transactions								
without a hedging relationship	23,686	16,012	7,805	40,016	64,333	259,273	20,098	174,855
as cash flow hedges	8,103	10,184	759	5,542	0	0	155	7,183

The nominal volume of the derivative financial instruments is the sum of the nominal amounts of the individual purchase and sales contracts. By contrast, the fair value is based on the measurement of all contracts at the prices applicable on the measurement date. It indicates the potential impact on income of the prompt settlement of all derivatives as at the reporting date, without considering the hedged transactions.

The impact on earnings of changes in the fair value of financial derivatives that relate to a cash flow hedge is recognized in equity through other comprehensive income in the amount of the effective portion. The hedging costs for these financial derivatives are recorded in other comprehensive income and are disclosed as a separate reserve item. The cumulative amounts recorded in equity are reclassified to the income statement in the period in which the hedged cash flows impact the income statement, and are mainly recorded as a component of the cost of materials.

The ineffective portion of the fair value change is, by contrast, recognized directly in profit or loss. Ineffectiveness results in particular from the credit risk (CRA) and the foreign currency basis spread (CCBS), which are not reflected in the hedged transaction. During the fiscal year, ineffective market value changes to hedging instruments, amounting to € 55 thousand (previous year: € 339 thousand), were recognized in profit or loss.

Average price of designated hedging instruments

	9/30/2021	9/30/2020
Forward foreign exchange contracts (US$/€)	1.1266	1.1160
Foreign currency options (US$/€)	1.1869	1.1672
Metal futures contracts - nickel (€/t)	14,500.49	0.00
Metal futures contracts - zinc (€/t)	2,463.28	0.00
Coal derivatives (US$/t)	58.00	54.12
Gas derivatives (€/MWh)	16.39	16.39

The following overview shows a reconciliation of the other comprehensive income for the fiscal year that results from accounting for hedging relationships:

Cash flow hedges

	2020/21		2019/20	
in € thousand	**Measurement at market of cash flow hedges**	**Hedging costs**	Measurement at market of cash flow hedges	Hedging costs
Balance as at October 1	26,198	1,572	-12,404	-499
Change in fair value	2,051	-2,212	36,437	1,572
Reclassification to profit (+) or loss (-)	9,923	-801	-2,165	-499
Balance as at September 30	**18,326**	**161**	**26,198**	**1,572**

The following two tables show when the cash flows deriving from cash flow hedges will occur and when they will influence the income statement:

Cash flow hedges as at September 30, 2021

Occurrence and impact on income statement in € thousand	**Carrying amount**	Nominal volume	less than 1 year	1 to 5 years	more than 5 years
Forward foreign exchange contracts					
Assets	6,492	130,318	130,318	0	0
Liabilities	699	55,634	55,634	0	0
Foreign currency options					
Assets	1,401	100,622	100,622	0	0
Liabilities	0	0	0	0	0
Metal futures contracts					
Assets	21	1,559	1,429	130	0
Liabilities	1,427	19,954	19,284	670	0
Other transactions					
Assets	8,103	10,184	449	2,552	7,183
Liabilities	0	0	0	0	0

Cash flow hedges as at 9/30/2020

Occurrence and impact on income statement in € thousand	Carrying amount	Nominal volume	less than 1 year	1 to 5 years	more than 5 years
Forward foreign exchange contracts					
Assets	24,365	451,801	321,483	130,318	0
Liabilities	23	2,519	2,519	0	0
Foreign currency options					
Assets	3,964	104,378	38,432	65,946	0
Liabilities	0	0	0	0	0
Other transactions					
Assets	759	5,542	1,243	4,299	0
Liabilities	155	7,183	0	0	7,183

LIQUIDITY RISKS

Liquidity risks constitute the risks that the business is unable to settle its own liabilities. The contractually agreed undiscounted interest and redemption payments of the financial liabilities are shown in the section Liabilities, on pages 176–177.

The adequate sourcing of the Group with liquid funds is ensured not only by the Group's cash flow but also by the existing short-term and long-term credit lines with our banks. Fluctuations in cash flow can therefore be compensated for. An autonomous executive committee monitors the development of Aurubis' liquidity position on a timely and regular basis and reports to the Executive Board. Further management measures taken regarding liquidity risks are described in the Risk Report, on pages 116-126.

DEFAULT RISKS

Default risks exist for all classes of financial instruments, in particular for trade accounts receivable. The concentration of the credit risk is limited due to the wide-ranging and heterogeneous customer base. The largest individual customer account receivable balances are regularly controlled. The credit risk arising from derivative financial instruments is limited in that the corresponding contracts are only concluded with contractual parties and banks that have a good credit standing.

The customers have been classified according to their credit rating within the context of the credit risk management process, whereby each customer has been given a specific credit limit.

The carrying amounts of the financial assets recognized in the statement of financial position, less any write-downs, represent the maximum potential default risk without taking into account the value of any securities received or other risk-mitigating agreements.

Furthermore, to minimize default risks as far as possible, we monitor the receivables due from our business associates on a regular basis. Apart from instruments that are customary within the market, such as letters of credit and guarantees, we also make particular use of commercial credit insurance to safeguard against potential bad debts. If receivables are sold under factoring agreements, this is done without recourse.

ADDITIONAL DISCLOSURES FOR FINANCIAL INSTRUMENTS

Carrying amounts, valuations and fair values by measurement category in € thousand	Measurement category under IFRS 9	2020/2021					
			Measurement in the statement of financial position under IFRS 9				
		Carrying amount 9/30/2021	Amortized cost	Fair value through OCI	Fair value through profit or loss	Measurement in the statement of financial position under IFRS 16	Fair value 9/30/2021
ASSETS							
Share interests in affiliated companies	FV P&L	12,544			12,544		12,544
Investments	FV P&L	116			116		116
Securities classified as fixed assets	FV OCI	52,699		52,699			52,699
Other financial fixed assets							
Other loans	AC	46	46				46
Trade accounts receivable	AC	258,068	258,068				258,068
	FV P&L	224,638			224,638		224,638
	FV OCI	30,260		30,260			30,260
Other receivables and financial assets							
Receivables from related parties	AC	16,028	16,028				16,028
Other financial assets	AC	26,522	26,522				26,522
	FV P&L	8,765			8,765		8,765
	n/a	11,485	11,485				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	107,139			107,139		107,139
Derivatives with a hedging relationship (hedge accounting)	n/a	16,017		16,017			16,017
Cash and cash equivalents	AC	942,435	942,435				942,435
EQUITY AND LIABILITIES							
Bank borrowings	AC	526,644	526,644				550,103
Lease liabilities	n/a	54,670				54,670	54,670
Trade accounts payable	AC	305,067	305,067				305,067
	FV P&L	1,081,458			1,081,458		1,081,458
Liabilities to related parties	AC	15,007	15,007				15,007
Other non-derivative financial liabilities	AC	91,242	91,242				91,242
	n/a	6,001	6,001				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	163,684			163,684		163,684
Derivatives with a hedging relationship (hedge accounting)	n/a	2,126		2,126			2,126
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		1,243,099	1,243,099	0	0		1,243,099
Financial assets at fair value through other comprehensive income (FV OCI)		82,959	0	82,959	0		82,959
Financial assets at fair value through profit or loss (FV P&L)		353,202	0	0	353,202		353,202
Financial liabilities at amortized cost (AC)		937,960	937,960	0	0		961,419
Financial liabilities at fair value through profit or loss (FV P&L)		1,245,142	0	0	1,245,142		1,245,142

Carrying amounts, valuations and fair values by measurement category in € thousand	2019/2020						
			Measurement in the statement of financial position under IFRS 9				
	Measurement category under IFRS 9	Carrying amount 9/30/2020	Amortized cost	Fair value through OCI	Fair value through profit or loss	Measurement in the statement of financial position under IAS 16	Fair value 9/30/2020
ASSETS							
Share interests in affiliated companies	FV P&L	9,957			9,957		9,957
Investments	FV P&L	131			131		131
Securities classified as fixed assets	FV OCI	25,475		25,475			25,475
Other financial fixed assets							
Other loans	AC	53	53				53
Trade accounts receivable	AC	261,415	261,415				261,415
	FV P&L	220,222			220,222		220,222
	FV OCI	3,645		3,645			3,645
Other receivables and financial assets							
Receivables from related parties	AC	7,034	7,034				7,034
Other financial assets	AC	8,616	8,616				8,616
	FV P&L	14,640			14,640		14,640
	n/a	9,100	9,100				n/a
Derivative financial assets							
Derivatives without a hedging relationship	FV P&L	65,392			65,392		65,392
Derivatives with a hedging relationship (hedge accounting)	n/a	29,088		29,088			29,088
Cash and cash equivalents	AC	481,064	481,064				481,064
EQUITY AND LIABILITIES							
Bank borrowings	AC	518,326	518,326				546,829
Liabilities under finance leases	n/a	64,986				64,986	64,986
Trade accounts payable	AC	655,611	655,611				655,611
	FV P&L	488,414			488,414		488,414
Liabilities to related parties	AC	11,466	11,466				11,466
Other non-derivative financial liabilities	AC	80,591	80,591				80,591
	n/a	4,129	4,129				n/a
Derivative financial liabilities							
Derivatives without a hedging relationship	FV P&L	72,777			72,777		72,777
Derivatives with a hedging relationship (hedge accounting)	n/a	178		178			178
Of which aggregated by measurement categories in accordance with IFRS 9:							
Financial assets at amortized cost (AC)		758,182	758,182	0	0		758,182
Financial assets at fair value through other comprehensive income (FV OCI)		29,120	0	29,120	0		29,120
Financial assets at fair value through profit or loss (FV P&L)		310,342	0	0	310,342		310,342
Financial liabilities at amortized cost (AC)		1,265,994	1,265,994	0	0		1,294,497
Financial liabilities at fair value through profit or loss (FV P&L)		561,191	0	0	561,191		561,191

As a general rule, the market value of financial instruments to be recognized at fair value is determined on the basis of quotations on the relevant exchanges. If no such quotations are available, measurement is carried out applying a process that is customary for the market (measurement methods), based on instrument-specific market parameters and interest rates drawn from recognized sources.

If observable input parameters are not available or only partially available, the fair value is calculated on the basis of appropriate measurement methods. In the Aurubis Group, this applies in particular to the extrapolation of market data for electricity, coal, and gas, with due regard to market information about price determination and liquidity considerations. If insufficient market information is available, management's best estimate for a certain input parameter is used to determine the value. Thus, if observable input parameters are not available or only partially available on the market, the measurement process is significantly influenced by the use of estimates and assumptions.

Due to the predominantly short-term nature of cash and cash equivalents, trade accounts receivable and payable, other financial assets, receivables from and payables to related parties, and other non-derivative financial liabilities, an assumption is made that the fair values correspond to the carrying amounts.

An assumption has been made for share interests in non-corporate entities and non-quoted corporate entities that the carrying amount corresponds to the market value. It would only be possible to reliably determine the market value in conjunction with specific sales negotiations.

Pursuant to IFRS 13, the following tables show the measurement methods used to determine the fair value for Level 1, Level 2, and Level 3, as well as the main non-observable parameters that were used for measurement.

In this connection, the individual levels are defined in accordance with IFRS 13 as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Procedures under which all input parameters with a significant effect on the fair value are observable either directly or indirectly in the market
- Level 3: Procedures that use input parameters which have a significant influence on the fair value and are not based on observable market data

Financial instruments from Level 1 measured at fair value

Type	Measurement method
Securities classified as fixed assets	Exchange quotations

Financial instruments from Level 2 measured at fair value

Type	Measurement method and applied input parameters
Forward foreign exchange contracts	Par method, taking into account actively traded forward rates and the currently valid interest rate for discounting purposes as at the reporting date
Foreign currency options	Black-Scholes-Modell. The calculation is based on the exchange rates as at the reporting date, taking into account the expected volatility of the respective exchange rate during the term of the option and customary market interest rates
Metal futures contracts	Discounted cash flow method, taking into account actively traded metal forward rates and customary market interest rates for discounting purposes as at the reporting date
Other transactions	Discounted cash flow method. Expected future cash flows are discounted over the remaining term of the contracts, based on use of current market interest rates

Financial instruments from Level 2 not measured at fair value

Type	Measurement method and applied input parameters
Borrowings	Discounted cash flow method. Expected future cash flows are discounted using currently applicable interest rates for financial liabilities with comparable conditions and residual terms

Financial instruments from Level 3 measured at fair value

Type	Measurement method	Significant non-observable measurement parameters	Interdependence between significant non-observable parameters and fair value
Share interests in affiliated companies and investments	Discounted cash flow method	Future expected cash flows	The fair value is continually reviewed by applying significant, non-observable measurement parameters to determine if any measurement adjustments need to be made
Energy supply contract	Discounted cash flow method	Extrapolation of market data for electricity and coal	The fair value would be higher (lower) if: – the price for electricity increased more (less) than expected – the price for coal increased less (more) than expected
Gas price hedging contract	Discounted cash flow method	Extrapolation of market data for gas	The fair value would be higher (lower) if: – the price for gas increased more (less) than expected

If the parameters used for measurement fall into different levels of the measurement hierarchy, the fair value measurement is fully classified as belonging to the lowest level to which an input parameter is attributed, where this parameter significantly influences the entire fair value.

If there are any reclassifications to other levels in the measurement hierarchy, the Aurubis Group accounts for these as at the beginning of the relevant fiscal year.

The following overview shows the main measurement parameters that provide the basis for those financial instruments that are accounted for at fair value and presented in the Notes to the Consolidated Financial Statements.

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2021

Aggregated by classes in € thousand	9/30/2021	Level 1	Level 2	Level 3
Share interests in affiliated companies	**12,544**	**0**	**0**	**12,544**
Investments	**116**	**0**	**0**	**116**
Securities classified as fixed assets	**52,699**	**52,699**	**0**	**0**
Trade accounts receivable	**254,898**	**0**	**254,898**	**0**
Other financial assets	**8,765**	**0**	**8,765**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	107,139	0	107,139	0
Derivatives with a hedging relationship	16,017	0	13,749	2,268
Assets	**452,178**	**52,699**	**384,551**	**14,928**
Bank borrowings	**550,103**	**0**	**550,103**	**0**
Trade accounts payable	**1,081,458**	**0**	**1,081,458**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	163,684	0	106,654	57,030
Derivatives with a hedging relationship	2,126	0	2,126	0
Liabilities	**1,797,371**	**0**	**1,740,341**	**57,030**

Hierarchical classification of fair values of financial instruments in accordance with IFRS 7 as at September 30, 2020

Aggregated by classes in € thousand	9/30/2020	Level 1	Level 2	Level 3
Share interests in affiliated companies	**9,957**	**0**	**0**	**9,957**
Investments	**131**	**0**	**0**	**131**
Securities classified as fixed assets	**25,475**	**25,475**	**0**	**0**
Trade accounts receivable	**223,867**	**0**	**223,867**	**0**
Other financial assets	**14,640**	**0**	**14,640**	**0**
Derivative financial assets				
Derivatives without a hedging relationship	65,392	0	65,392	0
Derivatives with a hedging relationship	29,088	0	29,088	0
Assets	**368,550**	**25,475**	**332,987**	**10,088**
Bank borrowings	**546,829**	**0**	**546,829**	**0**
Trade accounts payable	**488,414**	**0**	**488,414**	**0**
Derivative financial liabilities				
Derivatives without a hedging relationship	72,777	0	60,921	11,856
Derivatives with a hedging relationship	178	0	23	155
Liabilities	**1,108,198**	**0**	**1,096,187**	**12,011**

There were no reclassifications between the individual levels in fiscal year 2020/21 or in the previous year.

The following overview shows a reconciliation of the financial instruments measured at fair value and classified in Level 3:

Reconciliation of financial instruments in Level 3 as at September 30, 2021

Aggregated by classes in € thousand	Balance as at 10/1/2020	Gains (+)/losses (–) recorded in other comprehensive income	Gains (+)/losses (-) recorded in the income statement	**Balance as at 9/30/2021**	Gains (+)/losses (–) for financial instruments held at the reporting date
Share interests in affiliated companies	9,957	0	2,587	12,544	2,587
Investments	131	0	-15	116	-15
Derivative assets with a hedging relationship	0	2,268	0	2,268	0
Derivative liabilities without a hedging relationship	-11,856	0	-45,174	-57,030	-43,093
Derivative liabilities with a hedging relationship	-155	155	0	0	0

Reconciliation of financial instruments in Level 3 as at September 30, 2020

Aggregated by classes in € thousand	Balance as at 10/1/2019	Changes in scope of consolidation	Gains (+)/losses (-) recorded in other comprehensive income	Gains (+)/losses (-) recorded in the income statement	**Balance as at 9/30/2020**	Gains (+)/losses (-) for financial instruments held at the reporting date
Share interests in affiliated companies	2,666	9,658	0	-2,367	**9,957**	-2,367
Investments	131	0	0	0	**131**	0
Derivative assets without a hedging relationship	14,011	0	0	-14,011	**0**	-14,011
Derivative liabilities without a hedging relationship	0	0	0	-11,856	**-11,856**	-11,856
Derivative liabilities with a hedging relationship	0	0	-155	0	**-155**	0

Gains and losses deriving from derivative financial instruments classified as Level 3 without a hedging relationship relate to part of an energy supply contract and are disclosed in the income statement under “Cost of materials.”

The fair value of these financial instruments is partially based on non-observable input parameters, which are largely related to the price of electricity, coal, and CO_2. If the Aurubis Group had taken other possible suitable alternative measurement parameters as a basis for measuring the relevant financial instruments on September 30, 2021, the recorded fair value would have been € 18,677 thousand (previous year: € 9,317 thousand) higher in the case of an increase in the electricity price and a decrease in the coal and CO_2 price by 20 %, respectively, at the end of the term or € 12,524 thousand (previous year: € 9,317 thousand) lower in the case of a decrease in the electricity price and an increase in the coal and CO_2 price by 20 %, respectively, at the end of the term. In contrast to the year reported, the CO_2 price fluctuation wasn’t included in the sensitivity analysis in the previous year. In order to calculate the maximum impacts which can arise from the relative uncertainty in the determination of the fair values of financial instruments whose measurement is based on non-observable parameters, the Aurubis Group remeasures such financial instruments, incorporating parameters that are at the outer limits of the range of reasonably possible alternatives for non-observable input data. Since it is nevertheless unlikely that a scenario will arise in which all of the non-observable parameters are at the outer limits of the range of reasonably possible alternatives at the same time, the estimated values previously mentioned should exceed the actual uncertainty factors when determining the fair value as at the reporting date. Thus, the disclosures shown do not represent a prediction or an indication of any future changes in the fair value.

OFFSETTING OPTIONS FOR DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

The financial instruments that Aurubis enters into are subject to netting agreements with financial institutions that include a mutual right of offset. However, these agreements do not fulfill the criteria for offsetting in the statement of financial position, as the netting right can only be utilized if one of the contracting parties defaults.

The following table shows the financial assets and liabilities in the Aurubis Group that are subject to offsetting options.

Offsetting options for derivative financial assets and liabilities

in € thousand	2020/21	2019/20
Financial assets		
Gross amount of financial assets in the statement of financial position	123,156	94,480
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial assets in the statement of financial position	123,156	94,480
Offsettable due to framework agreements	-30,821	-32,376
Total net value of financial assets	**92,335**	**62,104**
Financial liabilities		
Gross amount of financial liabilities in the statement of financial position	-165,810	-72,955
Financial instruments that qualify for offsetting in the statement of financial position	0	0
Net value of financial liabilities in the statement of financial position	-165,810	-72,955
Offsettable due to framework agreements	30,821	32,376
Total net value of financial liabilities	**-134,989**	**-40,579**

Net earnings by measurement category

in € thousand	2020/21	2019/20
Financial assets at amortized cost (AC)	-33,063	4,261
Financial assets at fair value through other comprehensive income (FV OCI)	0	0
Financial assets and liabilities at fair value through profit or loss (FV P&L)	-47,644	-16,204
Financial liabilities at amortized cost (AC)	6,877	-20,587
	-73,830	**-32,530**

The net income/expense deriving from the financial assets measured at fair value through other comprehensive income relates exclusively to equity instruments. The net income/expense deriving from the financial assets and liabilities measured at fair value through profit or loss mainly include the gains/losses deriving from metal futures contracts on the exchanges, forward foreign exchange contracts, and transactions to hedge electricity and coal price risks. Furthermore, fixed-price metal delivery contracts treated as derivatives are taken into account, as are purchase or sales contracts that are not yet price-fixed, which result in a partial compensation effect since they are measured at the respective price on the reporting date. Dividends, but not interest, are included in the calculation. The foreign currency impact deriving from items accounted for at amortized cost, which is included in the net result in fiscal year 2020/21, amounts to € -25,567 thousand (previous year: € -15,322 thousand).

31. RESEARCH & DEVELOPMENT

Research and development costs of € 11,589 thousand were recognized in profit or loss for the Aurubis Group for fiscal year 2020/21 (previous year: € 15,154 thousand). Moreover, development costs of € 726 thousand (previous year: € 312 thousand) were capitalized in the fiscal year.

Notes to the cash flow statement

The consolidated cash flow statement reports the cash flows in the Aurubis Group for fiscal year 2020/21 and for the prior-year comparative period. In accordance with IAS 7, a distinction is made between the cash inflow from operating activities, the cash outflow from investing activities, and the cash inflow/outflow from financing activities.

Commencing with earnings before taxes, adjustment is made for all non-cash-effective expenses and income, the financial result (consisting of the result from investments measured using the equity method, interest expenses, interest income, and other financial expenses and income), income taxes paid out, and changes in working capital to arrive at the cash inflow from operating activities (net cash flow).

At a level of € 812 million as at September 30, 2021, the net cash flow was significantly above that of the prior year (€ 459 million). This was the result of the very good financial performance for the fiscal year and a relatively low net working capital.

The cash outflow from investing activities totaled € 232 million (previous year: € 556 million) and, in contrast to the previous year, didn't include any payments for the acquisition of shares in affiliated companies (previous year: € 332 million for the acquisition of the Metallo Group).

After taking payments of € 19 million for the purchase of treasury shares, interest payments totaling € 16 million, and dividend payments of € 57 million into account, the free cash flow amounted to € 488 million (previous year: € -208 million).

Cash and cash equivalents of € 965 million were available to the Group as at September 30, 2021 (€ 481 million as at September 30, 2020). The net cash position as at September 30, 2021 was € 383 million (previous year: € -102 million).

The following table shows the cash-effective and non-cash-effective changes in borrowings.

in € million	Balance as at 10/1/2020	Cash-effective	Additions for leases	**Balance as at 9/30/2021**
Bank borrowings	518	9	0	527
Lease liabilities	65	-13	3	55
	583	**-4**	**3**	**582**

Segment reporting

	Segment Metal Refining & Processing		Segment Flat Rolled Products		Other	
	2020/21	2019/20[1]	**2020/21**	2019/20[1]	**2020/21**	2019/20[1]
in € thousand	**operating**	operating	**operating**	operating	**operating**	operating
Revenues						
Total revenues	15,078,721	11,488,487	1,432,380	1,086,425	0	0
Inter-segment revenues	201,640	138,527	9,624	7,843	0	0
Revenues with third parties	14,877,081	11,349,960	1,422,756	1,078,582	0	0
EBITDA	588,068	460,535	22,537	15,495	-45,886	-61,485
Depreciation and amortization	-179,542	-169,939	-15,644	-18,686	-3,472	-3,386
EBIT	408,526	290,596	6,893	-3,191	-49,358	-64,871
Interest income	13,257	11,824	1,292	1,392	1,141	3,845
Interest expense	-20,203	-17,150	-7,587	-8,018	-2,765	-4,046
Result from investments measured using the equity method	-2,079	0	12,178	12,720	0	0
Other financial income	7	0	0	0	0	0
Other financial expenses	-15	-240	0	-1,490	-8,439	-842
Earnings before taxes	399,493	285,030	12,776	1,413	-59,421	-65,914
Consolidated net income						
Return on capital employed (ROCE) in %	18.9	12.6	6.6	3.0		
Capital expenditure on intangible assets and property, plant, and equipment	226,884	201,683	14,912	18,431	0	0
Average number of employees	5,237	4,935	1,615	1,632	332	330

Regarding the basic derivation of the ROCE, we refer to the Combined Management Report

[1] Prior-year figures have been adjusted

Financial performance, assets, liabilities, and financial position of the Aurubis Group, pages 95–103

	Total		Reconciliation/ consolidation		Group	
	2020/21	2019/20[1]	**2020/21**	2019/20[1]	**2020/21**	2019/20[1]
	operating	operating	**IFRS**	IFRS	**IFRS**	IFRS
	16,299,837	12,428,542	0	0	16,299,837	12,428,542
	564,719	414,545	484,145	170,872	1,048,864	585,418
	-198,658	-192,011	-20,304	-17,815	-218,962	-209,826
	366,061	222,534	463,841	153,057	829,902	375,592
	15,690	17,061	-12,077	-10,382	3,613	6,679
	-30,555	-29,214	12,077	10,382	-18,478	-18,832
	10,099	12,720	8,606	-6,265	18,705	6,455
	7	0	0	88	7	88
	-8,454	-2,572	0	-87	-8,454	-2,659
	352,848	220,529	472,447	146,793	825,295	367,323
					612,981	265,363
	241,796	220,114	0	0	241,796	220,114
	7,184	6,897	0	0	7,184	6,897

In fiscal year 2020/21, the Aurubis Group's organization structure was based on the underlying business model. The Group's basic organization structure is made up of two operating segments, which provide the basis for segment reporting for fiscal year 2020/21 pursuant to IFRS 8: Segment Metal Refining & Processing and Segment Flat Rolled Products.

Segment Metal Refining & Processing (MRP) processes complex metal concentrates, copper scrap, organic and inorganic metal-bearing recycling raw materials, and industrial residues into metals of the highest quality. Segment MRP includes the Commercial, Supply Chain Management (SCM), and Operations divisions.

The Commercial division is commissioned by the plants to purchase input materials and sell products. The SCM division's function is to carry out production planning, logistics management, and sampling on behalf of the plants, and to improve the Group-wide metal flows and management of inventories. The Operations division is responsible for the ongoing optimization of the integrated smelter network and the production of all basic products and metals, as well as for their further processing into other products, such as continuous cast wire rod and shapes. Among other items, copper cathodes are manufactured at the sites in Hamburg and Lünen (both in Germany), Pirdop (Bulgaria), and Olen and Beerse (both in Belgium). The cathodes produced at the smelters are processed further into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Metallo Group acquired in 2020, with production sites in Beerse (Belgium) and Berango (Spain), also belongs to Segment MRP.

Business activities connected with our long-term electricity supply contract for our German sites were concentrated within Segment MRP for the first time in the period reported. Prior-year figures have been adjusted accordingly.

Segment Flat Rolled Products (FRP) processes copper and copper alloys – primarily brass, bronze, and high-performance alloys – into flat rolled products and specialty wire, which it then markets. The main production sites are Stolberg (Germany), Pori (Finland), Zutphen (Netherlands), and Buffalo (US). Furthermore, the segment also includes slitting and service centers in Birmingham (UK), Dolný Kubín (Slovakia), and Mortara (Italy), as well as sales offices worldwide.

On August 9, 2021, Aurubis AG signed a term sheet with Intek Group S.p.A., Italy, to sell the plant in Zutphen (Netherlands) and the slitting centers in the United Kingdom, Slovakia, and Italy. The sale is subject to approval by the responsible antitrust authorities. The plants in Stolberg (Germany), Pori (Finland), and Buffalo (US) will remain in the Aurubis Group.

In the course of developing the Aurubis Group's strategy, the segmentation was adjusted with effect from October 1, 2021. From that date on, the two segments Multimetal Recycling and Custom Smelting & Products will determine the fundamental organization structure and provide the basis for segment reporting in accordance with IFRS 8.

The Multimetal Recycling segment combines the recycling activities in the Group and thus the processing of copper scrap, organic and inorganic recycling raw materials containing metal, and industrial residues. The segment mainly includes the sites in Lünen (Germany), Olen and Beerse (both in Belgium), and Berango (Spain).

The Custom Smelting & Products segment combines the production facilities for processing concentrates and manufacturing and marketing standard and specialty products such as cathodes, wire rod, shapes, strip products, sulfuric acid, and iron silicate. The Custom Smelting & Products segment is also responsible for precious metal production. The sites in Hamburg (Germany) and Pirdop (Bulgaria) manufacture copper cathodes, which are processed further into wire rod and shapes at the Hamburg (Germany), Olen (Belgium), Emmerich (Germany), and Avellino (Italy) sites. The Buffalo (US), Stolberg (Germany), and Pori (Finland) sites produce flat rolled products and specialty wire products.

The internal reporting is generally based on accounting policies in accordance with IFRS, which are applied in the consolidated financial statements. For internal management purposes, the IFRS-based results are reconciled to the operating result.

The operating result is derived from the IFRS-based financial performance by:

- Adjusting for measurement results deriving from the application of IAS 2. In this context, the metal price fluctuations resulting from the application of the average cost method are eliminated. Likewise, non-permanent write-downs or write-ups of metal inventory values as at the reporting date are eliminated
- Adjusting for reporting date-related effects deriving from market valuations of metal derivatives that haven't been realized, which concern the main metal inventories at our smelter sites
- Eliminating any non-cash effects deriving from purchase price allocations
- Adjusting for effects deriving from the application of IFRS 5

The reconciliation to the IFRS-based consolidated financial statements is shown in the “Reconciliation/consolidation” column. In this connection, a total of € -1,233 thousand (previous year: € 2,528 thousand) of the earnings before taxes (EBT) derives from consolidation impacts, while € 473,680 thousand (previous year: € 144,265 thousand) derives from reconciliation to the IFRS EBT.

The Group generates most of its revenues with business associates in countries within the European Union. The breakdown of external revenues by region is based on the location of the customers, and is as follows:

in € thousand	**2020/21**	2019/20
Germany	5,724,249	5,458,580
Other European Union countries	5,616,820	3,406,823
Rest of Europe	1,348,885	520,468
Asia	2,000,081	1,953,991
Americas	727,685	691,181
Other	882,117	397,498
Group total	**16,299,837**	**12,428,542**

During the fiscal year, no individual business partner of the Aurubis Group was responsible for a revenue share of 10 % or more.

The breakdown of capital expenditure (into intangible assets and property, plant, and equipment) and non-current assets by region is based on the location of the respective assets:

	Capital expenditure		Fixed assets	
in € thousand	**2020/21**	2019/20	**2020/21**	2019/20
Germany	134,812	147,369	1,069,033	989,739
Bulgaria	57,694	30,322	354,251	339,870
Belgium	35,753	26,982	466,160	484,248
Other European countries	5,597	6,643	29,388	52,195
North America	7,940	8,798	38,877	37,762
Group total	**241,796**	**220,114**	**1,957,709**	**1,903,814**

The locations in other European countries are mainly operational sites within the European Union.

SEGMENT DATA

The revenues of the individual segments consist of inter-segment revenues and of revenues with non-group third parties. The total third-party revenues of the individual segments correspond to the consolidated revenues of the Group. The prices and conditions for products and services exchanged between Group companies and segments correspond to those with third parties.

	Segment Metal Refining & Processing		Segment Flat Rolled Products		Total	
	2020/21	2019/20	**2020/21**	2019/20	**2020/21**	2019/20
Wire rod	6,208,810	3,907,356	0	0	6,208,810	3,907,356
Copper cathodes	2,900,744	2,497,388	1,789	2,028	2,902,533	2,499,416
Precious metals	3,524,965	3,477,041	0	0	3,524,965	3,477,041
Shapes	1,128,561	688,629	82,543	58,283	1,211,104	746,912
Strip, bars, and profiles	201,688	131,479	1,255,873	941,548	1,457,561	1,073,027
Other	912,314	648,067	82,550	76,723	994,864	724,790
	14,877,082	**11,349,960**	**1,422,755**	**1,078,582**	**16,299,837**	**12,428,542**

Operating EBIT represents operating earnings before taxes, adjusted for the financial result attributable to the segment. Based on this, operating EBITDA is operating EBIT adjusted for depreciation of property, plant, and equipment and amortization of intangible assets belonging to the segment.

In addition to scheduled depreciation and amortization, Segment MRP also includes impairment losses recognized against non-current assets within the meaning of IAS 36 in the amount of € 8,420 thousand (previous year: € 3,688 thousand). The previous year included impairment losses of € 17,439 thousand, which were recognized against the goodwill of the Copper Products Aurubis Hamburg cash-generating unit (CGU).

Due to the higher demand for copper products, impairment losses of € 3,688 thousand, which had been recognized against the property, plant, and equipment of Segment MRP in the previous year were reversed in the fiscal year reported.

The average number of employees for each segment includes all employees of companies that were fully consolidated in the accompanying consolidated financial statements.

Other disclosures

DISCLOSURES CONCERNING RELATIONSHIPS TO RELATED PARTIES

In accordance with IAS 24, related parties are regarded as all individual persons and entities that can be influenced by, or that can themselves influence, the company.

The employees' representatives on the Supervisory Board received compensation for their employment at Aurubis AG at a level that is normal for the market.

Within the Aurubis Group, various Group companies purchase different types of products and services from and provide different types of products and services to related companies as part of their normal business activities. Such delivery and service relationships are conducted using market prices. In the case of services, these are charged on the basis of existing contracts.

The following amounts relate to joint ventures accounted for using the equity method:

9/30/2021

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	101,299	34,899	4,355	389
Cablo GmbH	16,463	23,837	11,228	5,170

9/30/2020

in € thousand	Income	Expenses	Receivables	Liabilities
Schwermetall Halbzeugwerk GmbH & Co. KG	35,812	25,216	7	1,262

The following amounts relate to non-consolidated related companies:

9/30/2021

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	0	105	0	36
Subsidiaries	12,565	1,451	1,588	9,708

9/30/2020

in € thousand	Income	Expenses	Receivables	Liabilities
Joint ventures	60	220	108	23
Subsidiaries	7,404	4,650	6,918	10,181

With the exception of Salzgitter AG, no individual shareholders of Aurubis AG are able to exercise a significant influence on the Aurubis Group.

Salzgitter Group companies account for € 184 thousand in expenses for the fiscal year (previous year: € 388 thousand) and income of € 63 thousand (previous year: € 56 thousand). As at the reporting date, there were related liabilities of € 93 thousand (previous year: € 18 thousand) and receivables of € 2 thousand (previous year: € 2 thousand).

As at the reporting date, no letters of comfort had been issued to related parties.

SUBSEQUENT EVENTS

In an extraordinary meeting held on November 10, 2021, the Supervisory Board approved the construction of a recycling plant in the US state of Georgia. In the first ever secondary smelter for multimetal recycling to be constructed in the United States, recycling materials containing metals will be processed into 35,000 t of blister copper annually. Aurubis will further process the intermediate products into various industrial and precious metals to a large extent at its European smelter sites. Capital expenditure investments of some € 300 million are planned in this connection.

In November 2021, Aurubis terminated three bonded loans (Schuldscheindarlehen) with variable interest rates, totaling € 152.5 million, with effect from December 23, 2021. These bonded loans were disclosed as non-current liabilities in the statement of financial position as at September 30, 2021, due to their legal contract term.

No further significant events occurred after the reporting date.

DISCLOSURES CONCERNING THE EXECUTIVE BOARD AND SUPERVISORY BOARD

TOTAL COMPENSATION

The **fixed compensation components** consist of the current fixed remuneration, the pension plans, and fringe benefits.

The system for **variable compensation** includes both annual variable compensation (two-thirds of the annual bonus, due currently) and multiannual variable compensation, which is forward-looking and not currently due. The multiannual compensation consists of both a performance cash plan covering three fiscal years and a stock deferral component (virtual stock – converted from one-third of the annual bonus) also covering three fiscal years. The ratio of multiannual to annual variable compensation is 60:40.

The total compensation earned by the active Executive Board members for fiscal year 2020/21 amounted to € 3,232,387 (previous year: € 2,007,550) and, in addition to a fixed component in the amount of € 1,860,000 (previous year: € 1,453,333), included fringe benefits of € 93,767 (previous year: € 62,789) and a variable component of € 1,278,620 (previous year: € 491,428). In total, payments for currently due compensation amounted to € 2,934,341 (previous year: € 2,007,550) and payments for compensation not currently due amounted to € 298,046 (previous year: € 0).

In addition, pension provisions in the amount of € 800,000 (previous year: € 730,301) and provisions for virtual deferred stock compensation in the amount of € 685,096 (previous year: € 660,397) were recognized as an expense.

Former members of the Executive Board and their surviving dependents received a total of € 2,862,241 (previous year: € 2,566,683); € 31,976,822 (previous year: € 31,068,407) has been provided for their pension entitlements.

Total compensation includes a share-based compensation component with a cash settlement and a performance cash plan.

The recognition and measurement standards of IFRS 2 are to be applied to the share-based compensation component with a cash settlement. This component involves virtual deferred stock. The resulting obligation equates to the fair value of the virtual stock. The expenses amounted to € 685 thousand in the year reported (previous year: € 660 thousand). The carrying amount of the provisions as at the fiscal year-end was € 1,423 thousand (previous year: € 850 thousand).

Furthermore, expenses of € 1,436 thousand for the performance cash plan were recognized (previous year: € 635 thousand). The carrying amount of the provisions as at the fiscal year-end was € 2,545 thousand (previous year: € 1,295 thousand).

The compensation of the Supervisory Board for fiscal year 2020/21 amounted in total to € 1,549,000 (previous year: € 1,544,000).

Details of the individual compensation of the members of the Executive Board and the Supervisory Board are presented and explained in the compensation report.

REPORTABLE SECURITIES TRANSACTIONS

DIRECTORS' DEALINGS

In accordance with Art. 19 Market Abuse Regulation (EU No. 596/2014), the members of the Executive Board and the Supervisory Board must disclose the acquisition and sale of shares in the company. This does not apply if the total transactions per person do not exceed € 20,000 per calendar year.

One member of the Supervisory Board informed the company that he had acquired or sold no-par-value shares in the company in the period from October 1, 2020 to September 30, 2021:

- Frau Dr. Elke Lossin: purchased 1,500 no-par-value shares

Two Executive Board members informed the company that they acquired or sold no-par value shares in the company in the period from October 1, 2020 to September 30, 2021.

- Mr. Roland Harings: purchased 2,000 no-par-value shares
- Dr. Heiko Arnold: purchased 1,000 no-par-value shares

DECLARATION OF CONFORMITY WITH THE GERMAN CORPORATE GOVERNANCE CODE IN ACCORDANCE WITH SECTION 161 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The declaration required under Section 161 of the German Stock Corporation Act (AktG) has been issued by the Executive Board and the Supervisory Board and has been made permanently accessible to the shareholders on the company's website.

It is also available online at www.aurubis.com/en/about-aurubis/corporate-governance.

NOTIFICATION PURSUANT TO SECTION 160 (1) NO. 8 OF THE GERMAN STOCK CORPORATION ACT (AKTG)

The voting rights notifications, which were issued by shareholders in accordance with Section 33 (1) of the German Securities Trading Act (WpHG), covering transactions that exceed or fall below the relevant notification thresholds and which were received prior to preparation of the financial statements of Aurubis AG, are made available in the separate financial statements of Aurubis AG.

They are also available online at www.aurubis.com/en/about-us/corporate-governance.

DISCLOSURES CONCERNING AUDITORS' FEES

The following fees were recorded as expenses for fiscal year 2020/21 and the prior year for services rendered by the global Deloitte network:

in € thousand	2020/21	2019/20
Financial statement auditing services	1,152	1,062
Other assurance services	12	21
Total	**1,164**	**1,083**

The following fees related to services rendered by auditor Deloitte GmbH Wirtschaftsprüfungsgesellschaft:

in € thousand	2020/21	2019/20
Financial statement auditing services	711	736
Other assurance services	3	2
Total	**714**	**738**

Investments

pursuant to Section 313 (2) of the German Commercial Code (HGB) as at September 30, 2021

	Company name and registered office	% of capital held directly and indirectly	Held by
1	Aurubis AG, Hamburg		
	Fully consolidated companies		
2	Aurubis Belgium NV/SA, Olen	100	1
3	Aurubis Finland Oy, Pori	100	2
4	Aurubis Holding USA LLC, Buffalo	100	2
5	Aurubis Buffalo Inc., Buffalo	100	4
6	Aurubis Netherlands BV, Zutphen	100	2
7	Aurubis Mortara S. p. A., Mortara	100	2
8	Cumerio Austria GmbH, Vienna	100	1
9	Aurubis Bulgaria AD, Pirdop	99.86	8
10	Aurubis Engineering EAD, Sofia	100	8
11	Aurubis Italia Srl, Avellino	100	1
12	Aurubis Stolberg GmbH & Co. KG, Stolberg	100	1
13	Aurubis Stolberg Asset GmbH & Co. KG, Stolberg	100	12
14	Aurubis UK Ltd., Smethwick	100	12
15	Aurubis Slovakia s. r. o., Dolný Kubín	100	12
16	Cablo Metall-Recycling & Handel GmbH, Fehrbellin	100	1
17	Peute Baustoff GmbH, Hamburg	100	1
18	RETORTE GmbH Selenium Chemicals & Metals, Röthenbach	100	1
19	E. R. N. Elektro-Recycling NORD GmbH, Hamburg	100	1
20	Aurubis Product Sales GmbH, Hamburg	100	1
21	Deutsche Giessdraht GmbH, Emmerich	100	1
22	Metallo Group Holding NV, Beerse	100	1
23	Metallo Belgium NV, Beerse	100	22
24	Metallo Spain S.L.U., Berango	100	23
	Companies accounted for using the equity method		
25	Schwermetall Halbzeugwerk GmbH & Co. KG, Stolberg	50	12
26	Cablo GmbH, Gelsenkirchen	40	1

	Company name and registered office	% of capital held directly and indirectly	Held by
	Non-consolidated companies		
27	azeti GmbH, Berlin	100	1
28	Aurubis Holding Sweden AB, Stockholm	100	2
29	Aurubis Sweden AB, Finspång	100	28
30	Aurubis Stolberg Verwaltungs-GmbH, Stolberg	100	1
31	Aurubis Stolberg Asset Verwaltungs-GmbH, Stolberg	100	12
32	Hüttenbau-Gesellschaft Peute mbH i.L., Hamburg	100	1
33	Aurubis Hong Kong Ltd., Hong Kong	100	2
34	Aurubis Metal Products (Shanghai) Co., Ltd, Shanghai	100	33
35	Aurubis Rus LLC, St. Petersburg	100	2
36	Retorte do Brasil, Joinville	51	18
37	Schwermetall Halbzeugwerk GmbH, Stolberg	50	12
38	JoSeCo GmbH, Kirchheim/Swabia	50	18
39	Aurubis Middle East FZE, Dubai	100	20
40	Aurubis Turkey Kimya Anonim Sirketi, Istanbul	100	9
41	Aurubis America Holding Inc., Tampa	100	1
42	Aurubis Tampa LLC, Tampa	100	41

Hamburg, December 1, 2021

Executive Board

Roland Harings	Dr. Heiko Arnold	Rainer Verhoeven
Chairman	Member	Member

Responsibility Statement

We confirm to the best of our knowledge that, in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group, and that the Combined Management Report provides a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Hamburg, December 1, 2021

The Executive Board

Roland Harings Chairman	Dr. Heiko Arnold Member	Rainer Verhoeven Member