

Global Compact Principles and the SDGs (Sustainable Development Goals) by Metalpine



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1. SUBMISSIONS TO THE PROGRESS REPORT (COMMUNICATION ON PROGRESS - COP)

Company

Metalpine GmbH is a young, innovative company based in Graz, Austria. Our novel process for the production of high-quality metal powders (e.g. for additive manufacturing) makes us unique worldwide.

METALPINE is part of the internationally present htm Group (hightech metal investment GmbH), with branches in Germany, Austria, France, Bahrain, USA and Japan.

With the process developed in-house, the new location in Graz/Austria will produce metal powder of a unique quality from practically all metals and metal alloys (copper, steels, nickel-based alloys, titanium, molybdenum, tungsten, etc.).



The high sparsity as well as the absence of pores and satellites of the various metal powders make them unique worldwide and unrivalled by the competition. The high-quality Metalpine metal powders are used in all areas where the highest precision and durability of individual components are required, e.g. those produced using additive manufacturing. The areas of application are therefore very wide-ranging and extend from medical technology to the automotive and aerospace sectors, among others.

Corporate Name:

Metalpine GmbH

Managing Directors:

Dr. mont. Martin Dopler

Andreas Rohrseitz

Mag. Gerald Pöllmann

Managing director under trade law:

DI Gerhard Helmut Lorber

Commercial register number:

437197m

Company place of jurisdiction:

Landesgericht für ZRS Graz

GLN (Public administration number)

9110022230772

Permissions for rights

LI Metal technician

Metal and iron casting limited to production of metal powder

Since 22.10.2019 for the location

8020 Graz, Kratkystraße 2

Branch:

Metal and iron founders

GISA-Number

31999472

Authority according to ECG (E-Commerce Gesetz)

Magistrat der Stadt Graz

Contact

<https://metalpine.at>

Tel: +43 316 25 85 76

Email: office@metalpine.at

Reporting Period

Progress Report (COP) from: 01 January 2020 to 01 January 2021

Interesting facts and background

METALPINE was founded to apply technological innovations in the powder metallurgy industry to improve environmental sustainability in this sector. Therefore, in 2020, it participated in a workshop on the implementation of the 17 Sustainable Development Goals of the United Nations. There we participated in a group of leading companies such as Magna Steyr, Ringana, Komptech, BDO and Hirtenberger from Austria.

We focus on sustainability in our additive manufacturing processes and products by referring to the 17 UN Sustainable Development Goals (SDGs) and committing to the 10 Global Compact Principles as a signatory in early 2020.



Photo: Metalpine GmbH, (LTR) Andreas Rohrseitz, Dr. mont. Martin Dopler and Mag. Gerald Pöllmann, at the opening of the plant with Dr. Gerald Sitte (Spaceone), Dr. Karl-Heinz Dernoscheg (WKO Steiermark), Dr. Robert Brugger (ICS-Steiermark).

But in case you are asking yourself what these basic principles and the SDGs are:

10 Principles

The UN Global Compact's 10 universal principles in the areas of labour standards, human rights, environmental protection and anti-corruption clarify which principles participating organisations must take into account in their strategies, policies and procedures. Signatories of the UN Global Compact thus contribute to a just shaping of globalisation.

Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are the global Sustainable Development Goals (SDGs) that were adopted by the United Nations (UN) in September 2015 and entered into force in January 2016. These 17 global goals are divided into 169 sub-goals and are linked to the UN Millennium Development Goals (MDGs) in terms of content. Ecological, economic and social challenges such as climate change, ine-

quality and poverty are to be solved by means of this strategy by 2030. It is important that the challenges are tackled globally, at the level of the whole country and society as a whole.

Global Compact Austria

As a member of the United Nations Global Compact, specifically in Austria, we are obliged to produce this public report "Communication on Progress" (COP). The COP report is an annual publication with which companies inform stakeholders about their efforts to implement the principles of the United Nations Global Compact:

- As a central component of the Global Compact's integrity measures, the main objective of the COP is to make information on sustainability performance public. At the same time, the COP can be an effective tool for stakeholder dialogue and promote the exchange of best and new practices.
- As a public document, the COP is an important demonstration of a company's commitment to transparency and responsibility*.

*Source: Global Compact Österreich



2. STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER



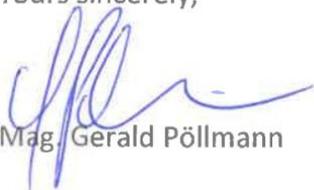
Graz, 01 March 2021

Dear Sir or Madam,
Dear Business Partner,

It is our pleasure to confirm that **METALPINE** reaffirms its support for the ten principles of the United Nations Global Compact in the areas of human rights, labour standards, environmental protection and anti-corruption.

In this annual progress report, we describe our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, corporate culture and daily operations. As well as promoting activities and knowledge related to the 17 United Nations Sustainable Development Goals. We are also committed to communicating this information to our stakeholders through our primary communication channels.

Yours sincerely,



Mag. Gerald Pöllmann
CEO



Dr. mont. Martin Dopler
CTO & Shareholder

3. DESCRIPTION OF THE MEASURES

Human rights



Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

make sure that they are not complicit in human rights abuses.

The way we look at it:

METALPINE aims to implement a socially just standard in its supply chain that respects people's fundamental rights. For us, the right to food security is one of these fundamental rights. We also understand that as a company we can contribute to better nutrition and more sustainable agriculture by sourcing food products from regional, organic and, in the case of coffee and chocolate, fair trade sources for our events.

As water quality is a limited resource on our planet, we avoid the use of harmful chemicals in our production.

For us, the right to education means providing our employees with the necessary training to perform their work in the best and safest way. For this reason, we invest in various sector-specific training courses and cooperate with training institutes.

In addition, we take the issue of gender equality and flexible working hours seriously so that our employees, both men and women, can exercise their right to a family life and the necessary time off to balance both aspects.

Our internal measures:

- ✓ Training programme lasting several months (explosive and flammable products)
- ✓ Ensure that workers are provided with safe, fair and interesting work and activities

- ✓ Protect workers from harassment at work, including physical, verbal, sexual or psychological harassment, abuse or threats
- ✓ We have at all times complied with the prescribed COVID-19 safety measures to protect the health of our employees and contact persons and have made additional tests possible. If required or desired by the employees, there is the possibility to work in a home office.

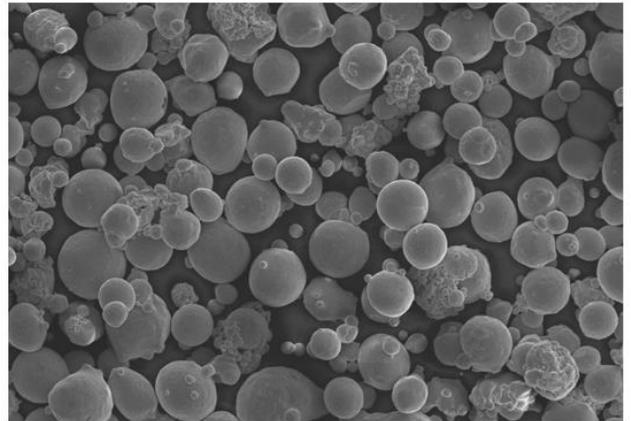
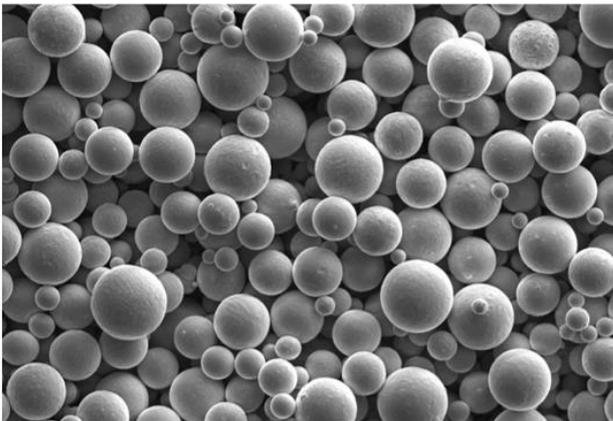
Our global measures:

- ✓ Set minimum standards
- ✓ Supplier selection not exclusively cost-oriented
- ✓ Link long-term supply contracts (planning security for suppliers) with standards
- ✓ Replace "problem metals" (e.g. Ta, Sn, Co) with technically equivalent ones (customer discussion)

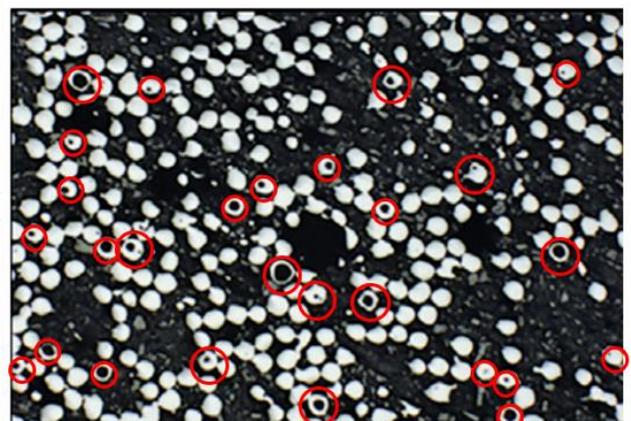
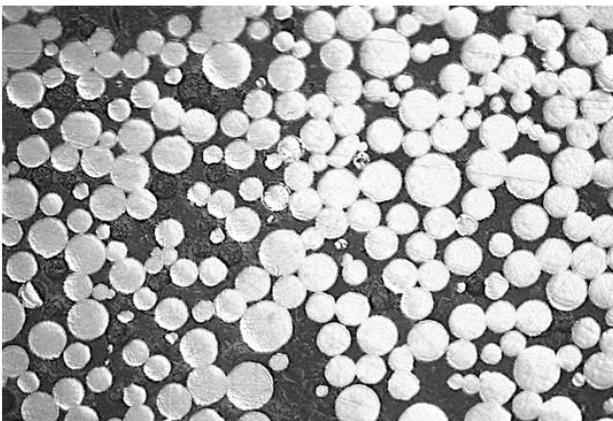
METALPINE

COMPETITORS

SPHERICAL/
NO SATELLITES



NO CAVITIES



Labour



Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

the elimination of all forms of forced and compulsory labour;

Principle 5:

the effective abolition of child labour; and

Principle 6:

the elimination of discrimination in respect of employment and occupation.

The way we look at it:

Compliance with standards is the basis for good coexistence and sustainable development of our economy and society. For this reason, METALPINE emphasises those policies that defend human rights and support ethical values and principles. We believe that with our sustainable business strategy we can contribute to companies in our industry seeing in us an example that it is also possible to take these factors into account and still be successful in business.

Our internal measures:

- ✓ Collective agreement for the metalworking industry
- ✓ Unlimited employment contracts
- ✓ All production workers at least classified as skilled workers
- ✓ Ensure that the company does not engage in any form of forced or bonded labour
- ✓ Compliance with minimum wage standards as mentioned above
- ✓ Ensure that employment-related decisions are based on relevant and objective criteria

Our global measures:

- ✓ Supplier selection not exclusively cost-oriented
- ✓ Link long-term supply contracts (planning security for suppliers) with standards
- ✓ We plan to require and enforce agreement with suppliers through standards regarding the elimination of child and forced labour that may occur in the mining of minerals in various countries



Photo: METALPINE, Awards event „5 Jahre SDGs und die 5 SDG-Pioniere“ ("5 years of SDGs and the 5 SDG pioneers") on 25.09.2020 in cooperation with WKO Steiermark, Steiermärkischen Landesregierung A-14 and Global Compact Österreich, (LTR) Dr. DI Martin Dopler, Mag. Gerald Pöllmann, Dr. Leopold Strobl (WIN and WKO Stmk)

Environment



Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

undertake initiatives to promote greater environmental responsibility; and

Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

The way we look at it:

From the beginning, our mission has been to develop technology and build a metal powder production that achieves maximum resource conservation and a minimum carbon footprint. For us, quality is synonymous with respect for the environment and the impact of our production.

For this reason, we strive for excellence in all related issues, be it energy consumption, production materials that are integrated into the cycle or packaging for distribution, striving to be a leader in this sector. In addition, we plan to transport with minimal impact on global warming by rail or sea freight.

Our internal measures:

- ✓ Improved product quality through modern production process: Metalpine products can be reused more often. Recycling/return of powders as an alternative in Betrachtung, Technical difficulties due to the high powder surface area through innovation project Powder recycling
- ✓ Target grain increase and thus waste reduction by 20-50% compared to standard production processes
- ✓ Greatly reduced noble gas requirement - argon cycle with own purification mechanism
- ✓ No dust emissions to the outside

- ✓ Reduction of process energy through integration into the building infrastructure
- ✓ Weight reduction→through additively manufactured components→through better materials→thereby lower raw material consumption → depending on component and application
- ✓ Packaging: Replace disposable packaging with recyclable containers (metal containers)
- ✓ Carry out overall life cycle assessment→ Develop containers
- ✓ Highest safety and health standards for employees

Our global measures:

- ✓ Reduction of transport routes through efficient planning
- ✓ Medium-term planning: train transport, sea freight
Metalpine 2020: 20% air freight
Metalpine 2022: <2% air freight
- ✓ Stakeholder: Customers, Manufacturer of the 3D printers
- ✓ Cooperation with stakeholders: Transport companies, authorities (licensing), competitors, organisational support of ecological measures through subsidies and laws
- ✓ Alignment of the company with the 17 Sustainable Development Goals of the United Nations

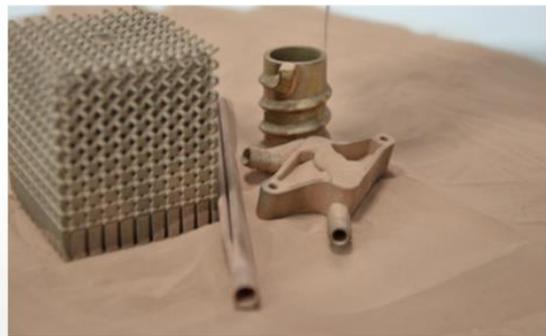
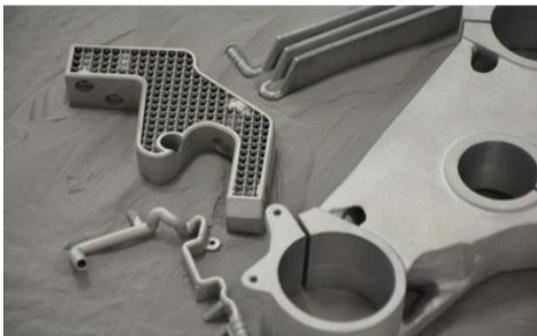




Photo: Pro Sustainability - first workshop series in March 2020 "Only 5 steps to your company SDGs" with Magna Steyr Automotive, BDO Auditor, Metalpine Metal Powder Manufacturer, Ringana Natural Cosmetics, Komptech Agricultural Equipment and Machinery and parent company Hirtenberger Group Autokomponenten.

Further information about the SDG workshop series:

https://www.prosustainability.com/Anmeldung_SDG_Kurs.html

Anti-Corruption



Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

The way we look at it:

In order for the systems that support our society to maintain stability and justice, and to create bonds of trust between stakeholders, it is very important to fight corruption and respect institutions. Therefore, METALPINE rejects any use of methods that harm the system and generate mistrust among its actors, in order to avoid the abuse of institutions and promote a fairer and more ethical economy that takes into account the real impact of its actions.

Our internal measures:

- ✓ Assessing the risks of corruption in the conduct of business
- ✓ Mention "anti-corruption" and/or "ethical behaviour" in contracts with business partners
- ✓ Ensure that internal procedures support the company's commitment to fighting corruption
- ✓ Waiver of the collection or payment of provisions for the acquisition of projects that are not directly related to the work contribution of these persons and are governed by legal contracts
- ✓ Disclosure of donations to associations or non-private companies

Our global measures:

- ✓ as mentioned above, develop standards and demand them from our suppliers
- ✓ to publicly declare our support for these principles with this progress report for the UN Global Compact.

4. MEASURING OF THE RESULTS

For our goal of minimising our environmental footprint, there are some key indicators to measure our business performance against the 10 Principles and 17 SDGs.

Location and Impact Topic	Focus	Impact SDG, UNGC	Actual Indicator	Measure Goal
Supply chain, internal production: Product Sustainability, Environmental, Research and Development,	Argon consumption in the production	7,8,9,12 13	Conventional production methods: 2-10kg Ar/kg powder	Metal powder, Metalpine 2021/2022: ~1kg Ar/kg powder Goal 2021/22: <0,5kg Ar/kg powder
Supply chain, internal production: Product Sustainability, Environmental, Research and Development	Raw material mining 	1, 7,8,9,12 13	Improved product quality through contemporary production process: Metalpine products can be reused more often.	<ul style="list-style-type: none"> • Recycling/return of powders as an alternative is being considered, Technical difficulties due to the high powder surface → Innovation project Powder recycling - Replace "more difficult" metals (e.g. Ta, Co) with technically equivalent ones (customer

discussion).

Supply chain, internal production:	Smarter products	9,12 13	Weight reduction→ through additively manufactured components→ through better materials	→ therefore low raw material consumption → depending on component and application
Product Sustainability, Environmental, Research and Development				
Internal production, application of the products:	Packing	9,12,13,14, 17	Target: Replace with recyclable containers (metal containers)	→ Carry out a complete life cycle assessment
Product Sustainability, Environmental, Research and Development			40,000 wide-neck drums / year (10kg) (= plastic waste contaminated with metal powder)	→ Develop containers (problem, among others, transport of hazardous goods!)
			Standard container for additive manufacturing: 3.6l Curtec wide-neck drum (10kg)	→ Customer relations → Ally with competitors
			Metalpine development plan: up to 400t/year of metal powder (2025)	→ Market launch as a competitive advantage
				→ Through our impetus, a larger customer will initiate a project with us

→ Seek allies in the network (e.g. AM Austria)

→ Dialogue with stakeholders (customers, manufacturers of 3D printers, transport companies, authorities (approval), competitors) to support and jointly develop and use a recyclable container.



Application of the products, re-introduction:

Transport

7,12,13

Short-term planning: air freight from China
Medium-term planning: rail transport, sea freight
Metalpine 2020: 20%

Metalpine 2020: 20% air freight
Metalpine 2022: 2% air freight

Product Sustainability, Transparency in the Supply Chain, Environmental

Internal supply chain: Transparency in the Supply Chain, Ethical Corporate Management, Human Rights, Employees	Suppliers	1, 3, 4, 8	Social and ecological situation in the countries of origin of the raw material	<ul style="list-style-type: none"> - Set minimum standards - Supplier selection not only cost-oriented - Link long-term supply contracts (planning security for suppliers) with standards.
	Employees		Collective agreement for the metalworking industry	<ul style="list-style-type: none"> - Permanent employment contracts - No temporary staff - Training programme lasting several months (explosive and flammable products)

5. CONCLUSIONS

We are pleased to have given you an impression of how METALPINE sees the fulfilment of the 10 UN Global Compact Principles and the SDGs (Sustainable Development Goals) with this first report and hope that you found it interesting.

We hope to share with you in the next report, with more data and achievements, how we have fulfilled our planned actions and proposed targets to contribute positively to a more sustainable economy to the best of our ability.

6. FURTHER INFORMATION

We look forward to receiving your feedback. Please send questions or comments about this report to the following email address: office@metalpine.at

Follow our news and events at our website and blog: <https://metalpine.at/news>

Responsible for the report Metalpine GmbH



Photo: Pro Sustainability – Presentation Event on 25.09.2020 “5 Jahre SDGs und 5 SDG Pioniere in der Steiermark” (“5 years of SDGs and 5 SDG pioneers in Styria”), (LTR) BDO, Magna Steyr, Pro Sustainability, Metalpine, Komptech, Hirtenberger Group, Global Compact Netzwerk Österreich and Ringana.