REPORT OF THE CARBON FOOTPRINT

OF THE ORGANIZATION AND PRODUCT FOR THE YEAR 2024

METALL EXPRES LTD.

Table of Contents

About Us

Metall-Expres Sp. z o.o. specializes in the production of copper products and the distribution of metallurgical products made from copper, brass, aluminum, and stainless steel. The company continuously develops its operations, prioritizing innovative technologies and maintaining high quality standards. In 2024, efforts were continued to monitor and reduce greenhouse gas emissions.

Report Objective

The objective of this report is to assess the total greenhouse gas emissions generated by the operations of Metall-Expres LTD. in 2024 – covering both operational and product-related scopes. The analysis was conducted in accordance with GHG Protocol methodology and ISO standards, divided into three emission scopes (Scope I, II, and III).

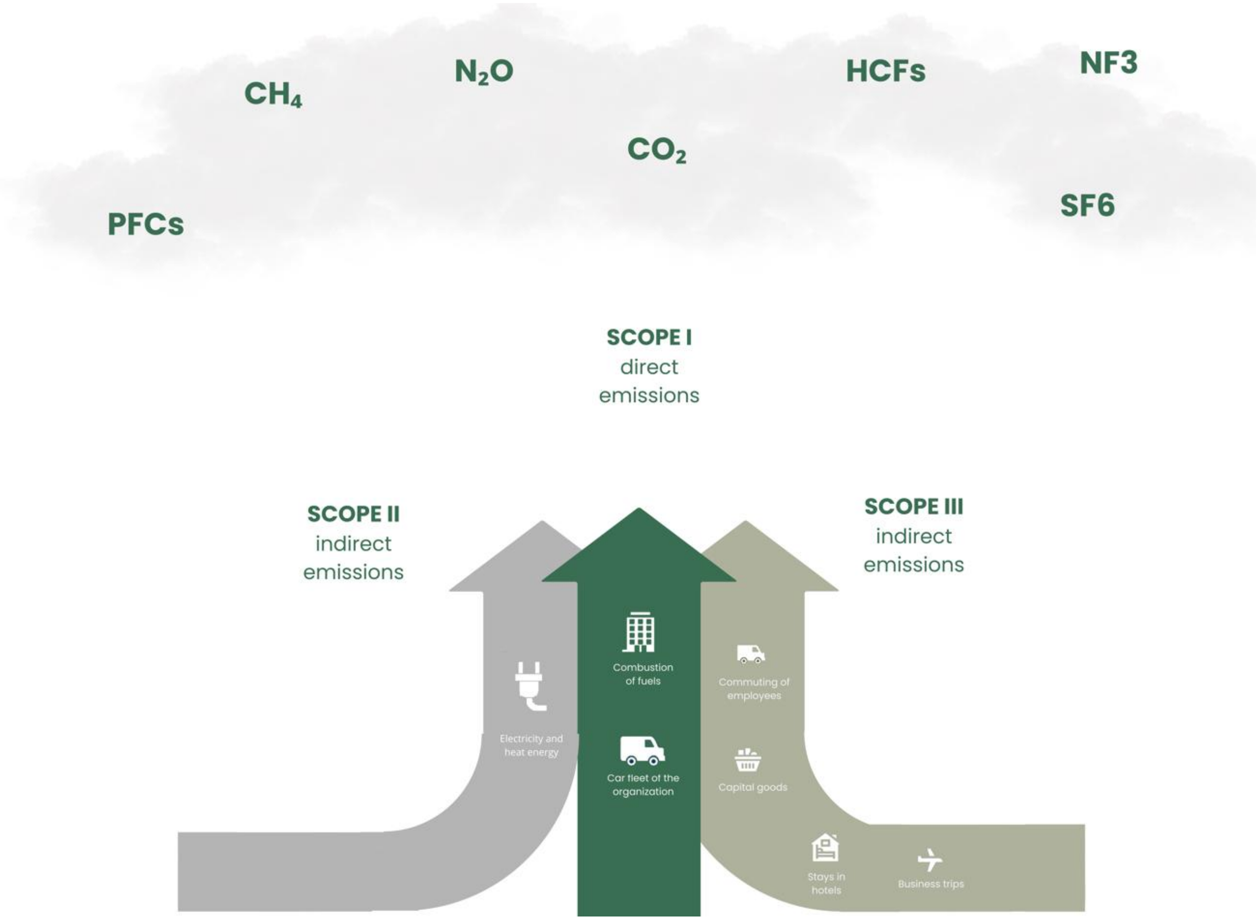
Scope and Methodology

The report covers greenhouse gas emissions across three scopes in accordance with GHG Protocol:

- **Scope I** – Direct emissions (e.g., fuel combustion, company fleet)
- **Scope II** – Indirect emissions from electricity consumption
- **Scope III** – Other indirect emissions (e.g., business travel, capital goods)

The product carbon footprint was determined within system boundaries adopted according to the "cradle-to-gate" approach, encompassing raw material acquisition, production, and product delivery to customer.

The methodology applied is aligned with the GHG Protocol, ISO 14064-1, and ISO 14040/44 standards (based on Life Cycle Assessment methodology).



Organizational Carbon Footprint

The analysis of the organizational carbon footprint under Scope I included all greenhouse gas emissions resulting from activities under the company's control.

Emission Sources:

Scope I – Direct emissions

- **Consumption of natural gas and propane:** Emissions from the combustion of natural gas, primarily used for heating purposes.
- **Company vehicle fleet emissions, including:**
  - Diesel-powered passenger vehicles,
  - Petrol-powered passenger vehicles,
  - Four-wheel-drive passenger vehicles,
  - Delivery vans (up to 3.5 tonnes),
  - Heavy-duty trucks (over 3.5 tonnes).

Scope II – Indirect emissions

Scope 2 emissions account for indirect emissions from electricity consumption in operational activities. In the reporting year, 100% of electricity consumption was covered by Energy Attribute Certificates (EACs). Under the market-based approach of the GHG Protocol, this results in zero greenhouse gas emissions for Scope 2. This approach reflects the organization's deliberate environmental strategy and commitment to energy transition and the promotion of renewable energy sources.

Scope III – Indirect emissions

Scope 3 emissions include indirect emissions from value chain activities not directly controlled by the company but resulting from its operations, such as:

- **Business travel – air**: Emissions from domestic and international flights undertaken by employees.
- **Business travel – land**: Emissions from business travel via land transport, including trains, buses, and rented vehicles.
- **Hotel stays – Poland**: Emissions from domestic accommodation services, including energy, water consumption, and waste generation by hotels.
- **Hotel stays – abroad**: Emissions from employee accommodations abroad, based on local emission intensities in the hospitality sector.
- **Capital goods**: Emissions from the production and delivery of fixed assets purchased by the organization, including:
    - Two heavy-duty trucks (over 3.5 tonnes),
    - Three petrol-powered passenger vehicles, including two four-wheel-drive vehicles and one standard vehicle.

Results – Organizational Carbon Footprint

Scope 1 – Direct emissions: 873.043 t CO_2e
Scope 2 – Indirect emissions: 0.000 t CO_2e
Scope 3 – Other indirect emissions: 28.616 t CO_2e

Total emissions: 901.659 t CO_2e

Scope	Emissions t CO_2/year	%
Scope I	873,043	97%
Scope II	0	0%
Scope III	28,616	3%
TOTAL [t CO_2/year]	**901,659**	**100%**

Table 1. Summary of organizational carbon footprint results for Metall-Expres Sp. z o.o..

Product Carbon Footprint

The carbon footprint analysis covered the following products:

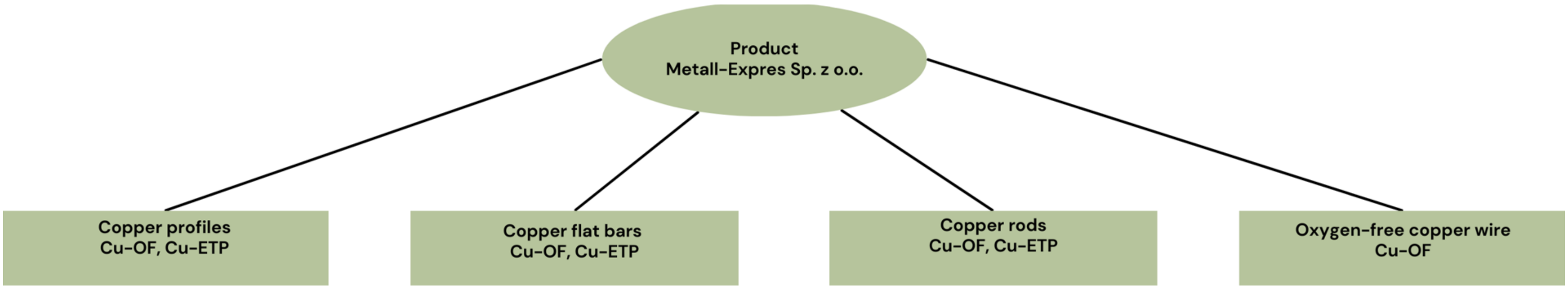


Chart 1. Products of Metall-Expres Sp. z o.o.

System boundaries – diagram

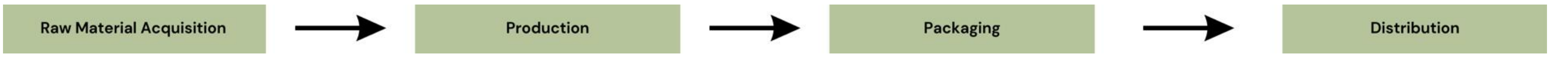


Chart 2. Simplified diagram of product carbon footprint scopes (cradle-to-gate) for Metall-Expres Sp. z o.o.

Results – Product Carbon Footprint

	Products of Metall-Expres Sp. z o.o. in 2024			
	Copper profiles Cu-OF, Cu-ETP	Copper flat bars Cu-OF, Cu-ETP	Copper rods Cu-OF, Cu-ETP	Oxygen-free copper wire Cu-OF
Average total [t CO_2e/tonne of products]	***1,248***			

Table 2. Summary of product carbon footprint results for Metall-Expres Sp. z o.o.

Scope I – Includes emissions related to the transport of raw materials and delivery of finished products to customers.

Scope II – Electricity consumption:
• In the reporting year, 100% of electricity consumption was covered by Energy Attribute Certificates (EACs).
• Under the market-based GHG Protocol approach, this results in a zero carbon footprint for Scope 2.

Scope III – includes:

Raw Material Composition:

- **37.82%** of raw materials are sourced from recycling (copper scrap),
- **62.18%** consists of copper cathodes

Carbon Footprint cathodes:

- Declared emission intensity: **1.55 t CO_2e/t cathode**

Notes on recycling in calculations:

The total share of scrap in the raw material structure amounts to 37.82%, of which part comes from a closed-loop system (with emissions of 0.02 t CO_2/t of product, accounting only for minimal energy use), while the remaining scrap – sourced from customers and quality-checked with each delivery – is included in the carbon footprint calculation with a factor of 0.05 t CO_2/t of scrap, in accordance with the Ecoinvent database and GHG Protocol guidelines (covering emissions from transport, sorting, and cleaning).

Scope 3 also includes:

- Waste generated during the production process.
- Packaging used for product distribution.

Results

The total organizational carbon footprint amounted to **901.659 tonnes CO_2e**. Detailed greenhouse gas emissions analysis showed the following breakdown:

- **97%** consisted of direct emissions (Scope I), primarily from fuel combustion and fleet operations.
- **0%** from indirect emissions related to electricity (Scope II), thanks to full coverage by renewable energy certificates (EACs).
- **3%** from indirect emissions in the value chain (Scope III), including business travel and capital goods purchases.

Based on life cycle emissions analysis of products, the average carbon footprint per tonne of products was calculated at **1.248 t CO_2e**. The largest share of product-related emissions was attributed to copper flat bars, accounting for 65% of total production emissions.