

Aluminium Foil is used in many different packaging and alike applications

■ Aluminium Packaging

- Lids (yoghurt, ...),
- Confectionery and cheese wraps
- Semi-rigid container (human and pet food)
- Pharmaceutical blister

■ Aluminium foil in packaging

- Multi-material flexible packaging (pouches, stick-packs, ...)
- Beverage cartons (milk, juices, ...)

■ Non-packaging

- Household foil
- Coffee capsules
- Container as kitchen utensils (BBQ trays, retail packs, ...)



European Foil Consumption *



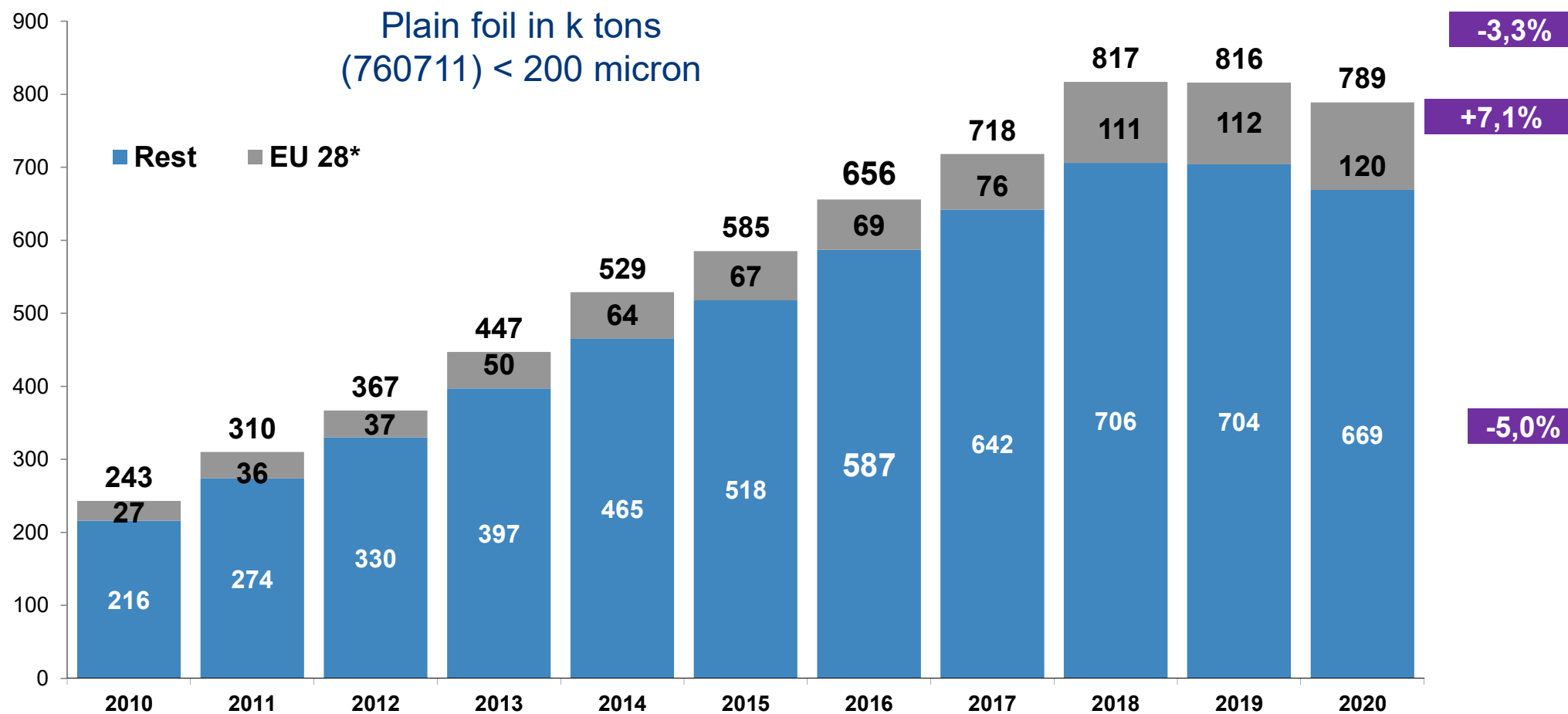
European foil trade flows (< 200 micron) in 1,000 tons

| | 2018 | 2019 | 2020 | +/- % |
|------------------------------|-------|-------|--------------|-------|
| Domestic sales | 806,0 | 781,3 | 777,7 | -0,5% |
| Imports | 139,7 | 170,1 | 179,5 | 5,5% |
| Total demand | 945,7 | 951,4 | 957,2 | 0,6% |
| Total EAFA production | 942,5 | 933,1 | 930,7 | -0,2% |
| Exports | 136,2 | 151,7 | 153,0 | 0,6% |

* EAFA region: EU 28, Armenia, Russia, Switzerland, Norway, Turkey

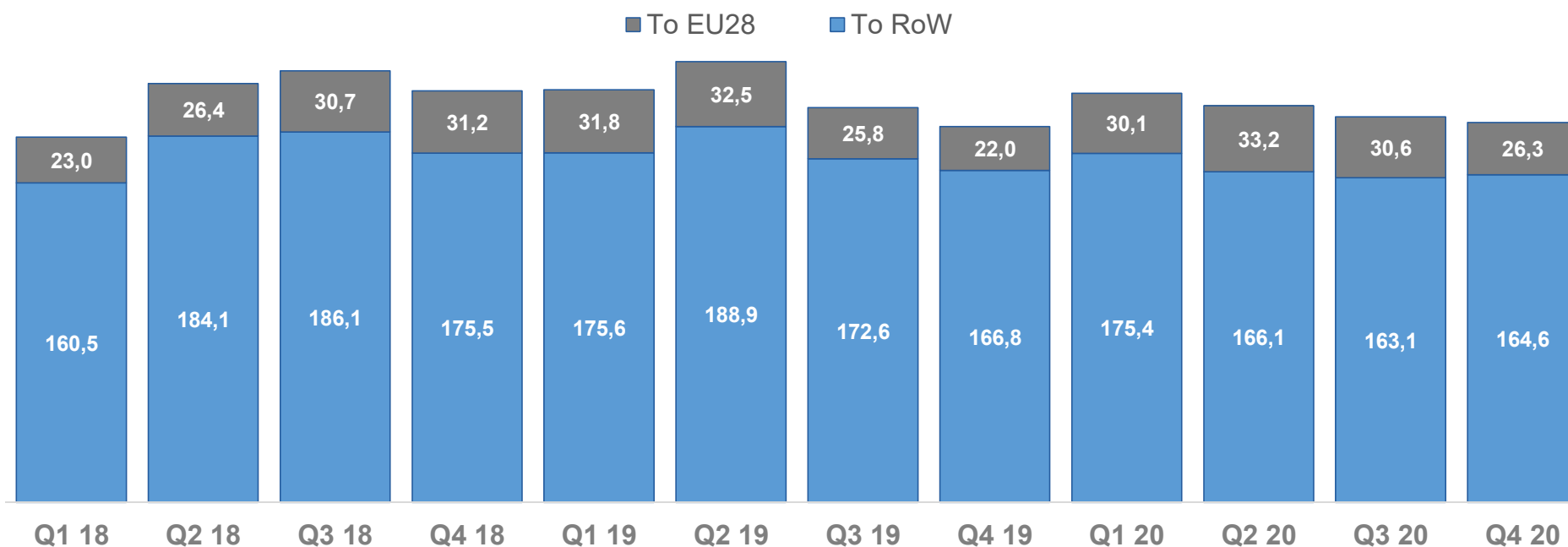
Source: EAFA statistics, Global Trade Atlas

Chinese Plain Foil Exports (760711)



Source: Global Trade Atlas 2020: EU 27 + UK

Chinese plain foil exports to the EU



| China exports | Change in % vs. Quarter year ago | | | | | | | | | | | |
|---------------|----------------------------------|-------|-------|-------|-------|-------|--------|--------|-------|--------|-------|-------|
| | Q1 18 | Q2 18 | Q3 18 | Q4 18 | Q1 19 | Q2 19 | Q3 19 | Q4 19 | Q1 20 | Q2 20 | Q3 20 | Q4 20 |
| to EU 27/UK | 37,1% | 30,1% | 50,6% | 64,7% | 38,4% | 23,4% | -16,1% | -29,5% | -5,3% | 2,0% | 18,7% | 19,5% |
| to RoW | 2,0% | 2,8% | 21,6% | 15,6% | 9,4% | 2,6% | -7,2% | -5,0% | -0,1% | -12,1% | -5,5% | -1,3% |

Exports from China to EU27 + UK

Developments for the different segments



| in tonnes | 2018 | 2019 | 2020 | 20/19 chg in % |
|--|---------|---------|---------|----------------|
| below 8 microns (7607 1110) | 43.296 | 45.723 | 54.435 | 19,1% |
| between 8 and 20 microns (7607 1119) | 22.430 | 19.525 | 21.209 | 8,6% |
| between 21 and 200 microns (7607 1190) | 45.564 | 46.916 | 44.485 | -5,2% |
| TOTAL (7607 11) | 111.290 | 112.164 | 120.129 | +7,1% |

Actions against imports into EU – Overview



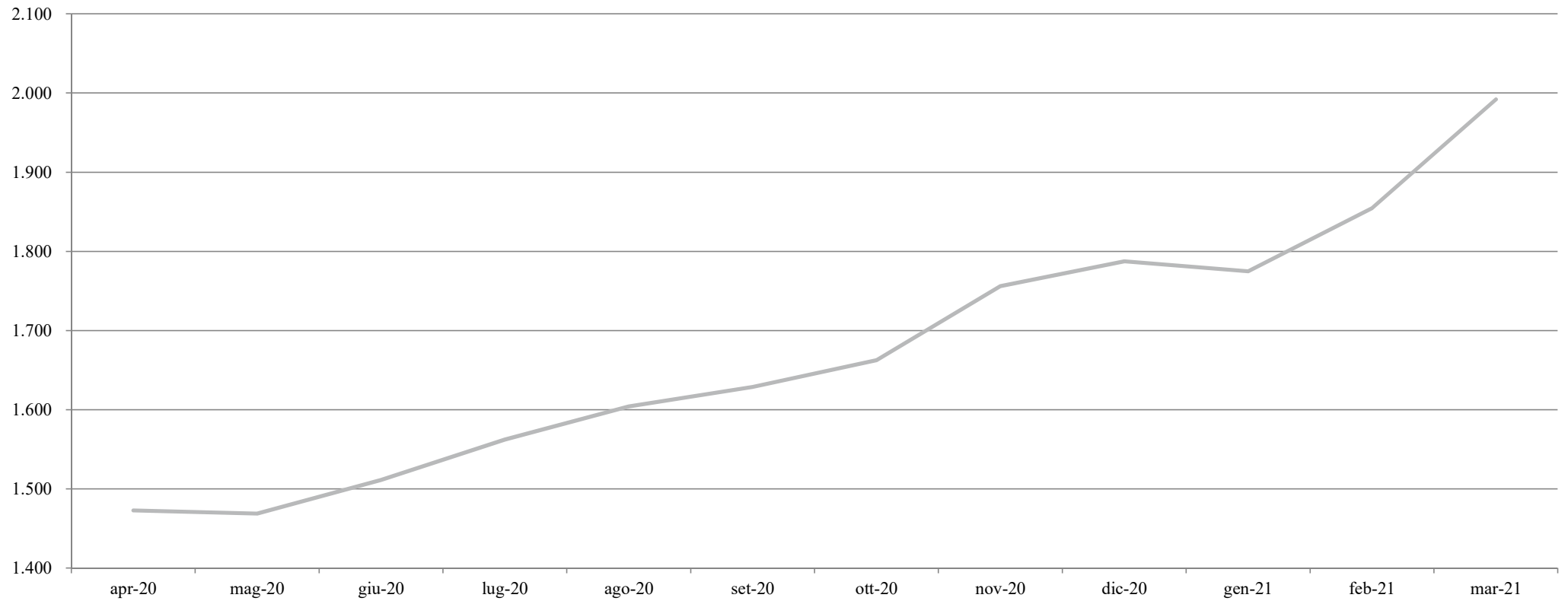
- **HHF** (jumbo and small) against China
 - prolongation applied for (jumbo) / circumvention against Thailand (small and jumbo) / measures for small rolls of 14 - 35% (since Jun 2019)
- **Extruded Products** against China
 - provisional measures: 30-48% (since Oct 2020)
- **Rolled Products above 30 micron** against China
 - provisional measures: proposed 20-47%
- **Alu Converter Foil below 21 micron** against China
 - Investigation, provisional measures expected on 22 May 2021

Aluminium recycling rates in the revised PPWD



- Split of “Metal Packaging“ into “Steel“ and “Aluminium”
- Higher targets (aluminium: 50% by 2025, 60% by 2030)
- Change of point of measurement (from after collection to after sorting)
→ **decrease of minimum 10+ per cent points for aluminium**
- Harmonisation of calculation methods
→ **potential decrease in some countries**
- Abandon of major material principal and 5% threshold for each material in composite packaging (about 300,000t of aluminium additionally in “Aluminium” fraction)
→ **(another decrease) of 10+ per cent points for aluminium**

LME + MB (€/Ton)



Aluminium



- Continues to be strong in the non-ferrous complex.
- Benefits from China's carbon targets.
- One of the ways to be compliant is to produce less and withdraw from inventory and / or import more
- Expected to tighten further
- This seems to keep the market bullish and maintain support for price.