


# Sustainability Report 2020

## **Executive summary**



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CEO of CBMM

## Message from the management

The world has experienced three crises over the past 20 years that have impacted people and business: September 11, 2001 (the terrorist attack on the United States), September 2008 (the American housing bubble) and 2020 (the onset of the novel coronavirus pandemic). The Covid-19 crisis is the longest of the three and has had the greatest impact on the economy and people's lives. However, lessons and opportunities can always be found in periods of adversity.

At CBMM, we were able to reinforce the importance of health and safety first, operate with as few people as possible in the plant and offices, make the work model more flexible, improve the management system by prioritizing a reduction in environmental impact, costs and expenses, boost productivity and, even from a distance, strengthen the relationship with our clients.

We believe in the power of collaboration so we never hesitate in putting into practice actions to fight Covid-19 in favor of the wellbeing and health of our employees and the communities where we operate. During the year, we stood behind initiatives to fight the coronavirus and reinforced our commitments to the city of Araxá, the state of Minas Gerais, and Brazil.

We maintained our investments in research and development of new applications for niobium technologies, capable of transforming materials into more intelligent, sustainable, and efficient solutions. We have formed very relevant partnerships on the innovation front, and have started to see results for our participation in 2DM, a Singaporean company that is a world benchmark in the development of graphene, in

addition to advances with the first niobium batteries available in the market (micromobility sector, with light and individual means of transport).

We have also maintained our plans to boost our production capacity to 150.000 tons of niobium products and concluded the work at our industrial plant in Araxá.

We continued to work on our main focuses through a structured dialog that involved internal and external stakeholders. This process is important because it helps us understand how the public sees CBMM's impacts and management. The material topics we identified, as well as the respective targets set for each of them, are connected to the United Nations' Sustainable Development Goals (SDGs) and to the environmental, social, and governance (ESG) factors.

We believe in and value relationships based on open dialogue and respect. We understand that this is the only way we can improve our actions, face challenges and contribute positively to society. We share with you below the main highlights of our work in 2020 and our vision for the future.

Have an enjoyable read!



## Together we are stronger

We are overcoming the difficulties created by the pandemic through respectful and collaborative interaction with stakeholders. During 2020, several actions were put in place to preserve the health and wellbeing of our employees.

In partnership with the State Industry Federation of Minas Gerais (FIEMG), we made available BRL 5,5 million for the purchase of respirators and other equipment for hospitals in

Minas Gerais. The city of Araxá received 24 units and another six were sent to three neighboring cities. At the national level, we adhered to the All for Health campaign by donating BRL 5 million. We supported the Sirio Libanês Social Responsibility Institute to improve the service capacity of Hospital Geral do Grajaú in São Paulo and we donated protection equipment to the Santa Casa de Misericórdia hospital, also in São Paulo.

We offered webinars that are open to the public on topics of general interest, with the involvement of experts. We also created an external awareness campaign, stressing the importance of the concept "distance saves" and the use of masks. "Separate and more together than ever" is the campaign slogan that perfectly illustrates what we believe in.

"Separate and more together than ever," is our campaign. It reflects what we believe in

## 2020 IN THE SPOTLIGHT

### SOCIAL



**1.796**  
collaborators



**5.055** direct and  
indirect jobs



**1.923** hired  
suppliers

### HEALTH AND SAFETY

**0%**

**Zero** is the occupational illness rate

### WASTE DISPOSAL



Planning of the construction of the **Waste Disposal Structure (EDR 9)** and respective environmental licensing

### WATER



**27,4 m<sup>3</sup>** of fresh water is used to produce one tonne of ferroniobium products

**24,7 m<sup>3</sup>** of fresh water is used to produce one tonne of niobium products<sup>1</sup>

**96,1 % of water recirculated**

<sup>1</sup> Mainly, niobium oxide, high-purity alloys and metallic niobium.

## ENERGY



**23,16 GJ**

of energy is consumed to produce one tonne of ferroniobium



**24,49 GJ** of energy is consumed to produce one tonne of niobium products

**73%** of energy derives from renewable sources



## EMISSIONS

CBMM has been a member of the **Brazilian GHG Protocol** since 2013, with data publicly available

**0,75 tCO<sub>2</sub>e** is emitted of GHG<sup>2</sup> per tonne of ferroniobium

<sup>2</sup> Greenhouse Gases.

**0,84 tCO<sub>2</sub>e** is emitted per tonne of niobium products

**From 2018 to 2020, emissions of CO<sub>2</sub>e dropped by 11%**

**0,51 tCO<sub>2</sub>e** is emitted per tonne of ferroniobium produced (market-based method)

**0,60 tCO<sub>2</sub>e** is emitted per tonne of niobium products (market-based method)

*Energy and emission intensities are calculated considering Scopes 1 and 2.*



## PRODUCTION



The production capacity is  
**150.000 tons/year** of  
ferroniobium



## FINANCIAL

**BRL 2,1  
billion**  
net equity

**BRL 7  
billion**  
net revenue

**BRL 2,5  
billion**  
net profit



**Zero non-compliance** with social and  
economic laws and/or regulations



R&D accounted for **1,8% of consolidated  
net revenue**

## GENERAL



**BRL 3,5 million invested in**  
employee training and skill development



**2nd edition of the CBMM Science and  
Technology Award**, which values the legacy  
of Brazilian professionals and encourages young  
researchers to contribute to the development of the  
country

## **INNOVATION AND DEVELOPMENT OF SOLUTIONS AND PRODUCTS**

We invest in innovation as a way to develop new products and solutions, with the involvement of several partners. We have achieved certifications in management systems and are dedicated to applying best practices in our processes.



## **PEOPLE MANAGEMENT, PRACTICES AND STRATEGIES**

We have a work culture that values employee development, health, and wellbeing. We nurture talent, encourage challenges, and offer career opportunities to our professionals.



## **RELATIONSHIP AND OPEN DIALOGUE WITH STAKEHOLDERS**

We engage the public with whom we relate (customers, suppliers, shareholders, governments, regulators, several institutions, collaborators and the community) because we believe in generating mutual value. We contribute to the economic and social development of Araxá, our local community.



## **ETHICS, GOVERNANCE AND TRANSPARENCY**

We believe in disseminating a culture of ethics as a tool for transparency and best practices governance, which is essential for market competitiveness and long-term sustainability.



## **ENVIRONMENT AS A COMMITMENT**

We are active in the conservation of biodiversity in the Cerrado region, in the optimization of natural resources, and in the management of water, emissions, dams, and waste. For us, the key is to develop environmentally friendly, socially just, and economically viable activities, products, and services.





## CBMM, SUBSIDIARIES AND CONSUMER COUNTRIES

CBMM's niobium product exports to more than 50 countries



## Corporate contacts

### CBMM

[www.cbmm.com](http://www.cbmm.com)

### Subsidiaries

CBMM Technology Suisse

CBMM Asia Pte Ltd.

CBMM Europe BV

CBMM North America, Inc.

### Head office and Industrial Complex

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### Representative Offices

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CBMM Xangai

### Sales and Technology Applications

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