



Sustainability Report 2018



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About this Report

Bridgnorth Aluminium Limited's *2018 Sustainability Report* details the Company's environmental, social and economic performance in 2018. The report focuses on the sustainability topics that are most relevant to our key stakeholders, as determined by the results of our *Materiality Assessment*. Details of the survey, including the results, can be found on pages 10 and 11.





Introduction



PICTURED: Two of our Operators running our multi-slitting line

Our Business

Bridgnorth Aluminium Limited is a trusted supplier of aluminium flat rolled products to customers around the world from our base in the UK. Our products are strategic raw materials for our customers in the printing, food and pharmaceutical packaging, automotive and electrical distribution industries.

On our 27-hectare site in Bridgnorth, Shropshire, UK, we run an integrated aluminium rolling mill and research and development centre. Our processes span the initial melting of scrap and primary metal, through casting, hot and cold rolling to final finishing for each customer specification. We employ approximately 400 people.

As a leading manufacturer in our local community, we recognise our ability to make a significant contribution to society. Our commitment to maximising the contribution of aluminium to a sustainable society is highlighted by our membership of the Aluminium Stewardship Initiative, a global, non-profit standards setting and certification organisation which aims to address sustainability issues in the aluminium value chain.

In addition to our membership of ASI, we are actively involved in the Aluminium Federation, European Aluminium, the Major Energy Users' Council, Make UK and Shropshire Chamber of Commerce and Enterprise.

Delivering our Mission



PICTURED: One of our Section Leaders in our Casthouse

Our Mission

Our mission is to be the best business partner, employer, community champion and responsible manufacturer in the aluminium industry, leading by example to improve the sustainability of the entire aluminium value chain.

Our Values

- » **Integrity;** Trust and respect are at the heart of our relationships with stakeholders
- » **Excellence;** We strive for excellence in all areas of our business
- » **People;** We believe in effective teamwork and treating individuals with respect and dignity

Sustainability Principles

Sustainability means more to us than protecting our environment. From the procurement of our raw materials to the delivery of products to our customers, we actively work to reduce our carbon footprint throughout our value chain and beyond.

As a responsible user of aluminium, one of the most sustainable metals on Earth, we are also working towards achieving the Aluminium Stewardship Initiative's *Performance Standard*, embracing material stewardship whilst producing the highest quality products.

CEO Message

I have great pleasure in presenting our first formal sustainability report, relating to our 2018 performance. This marks a new milestone in our sustainable progress as a company, the first time we have shared our performance outside our Group and our industrial sector.

For many years, we have been aiming for best practice, we have participated in industry fora in order to share and receive best practice on health and safety, environmental stewardship, and resource efficiency. These links have led us towards both local and wider initiatives, such as partnering with local charities to conserve the habitats for flora and fauna on our production site, sponsoring our local Community First Responders, through to the more international understanding of best practice relevant to our industry.

This year we are progressing towards our next milestone, formal certification of our sustainable approach by the Aluminium Stewardship Initiative, which in turn will lead us to further ideas and stronger motivation to continue our progress.



PICTURED: Simon speaking at an ALFED conference



PICTURED: Team of our employees ready for a litterpick in our local area

Simon MacVicker



Customer Satisfaction

As per Bridgnorth Aluminium Limited's values, trust and respect are at the heart of our relationships with stakeholders. Our emphasis on establishing and sustaining effective, long-term partnerships with our customers is a key element of our success. By working closely with our customers, we better understand their needs and can determine how best we can help meet and support these.

Lithography

In 2018, we substantially increased our sales volumes in our primary market of lithographic strip for printing applications. This success was partly the result of our strategic investments in previous years, but also largely attributable to our high levels of customer service and product quality. Overall delivery performance to major European customers was 90% on time in full, despite operating on reduced lead times.

Other Markets

Bridgnorth Aluminium Limited also supplies products to customers in the packaging, electrical and automotive markets. Our partnerships with customers operating in these markets are reviewed on a multi-year basis, with customers affirming their satisfaction with repeat business and positive feedback in review meetings.

Within the heat shield markets in the UK and Germany, Bridgnorth Aluminium Limited is considered an A-class supplier for delivery performance. Our customers express high satisfaction levels with the service they receive.

Continuous and collaborative product and process development underpins our partnerships with customers. As an example of this, we introduced new service offerings (e.g. consignment stock) in 2018 to better meet our customers' needs.

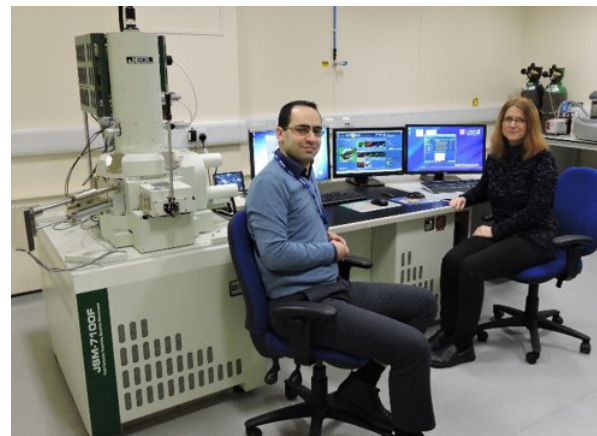
Innovation

Our integrated Technical and Engineering teams work closely with our Operations and Business Support teams to ensure that we continually improve our products and processes, creating innovations in our alloy design and making enhancements to our production processes.

Research & Development

Our Technical team have access to our fully equipped Research & Development Centre, complete with extensive material and chemical analysis capabilities. Access to our Group's central Research & Development Centre enables theoretical simulation (or modelling) of our alloys, systems and thermal processes, such as annealing and homogenisation.

In addition, our strong links with UK universities, including the University of Warwick, University of Birmingham and University of Manchester, allow us access to cutting-edge material analysis tools.



PICTURED: Two of our Research Scientists using our scanning electron microscope



PICTURED: Our Litho Centre 2 based packing line

Product Design

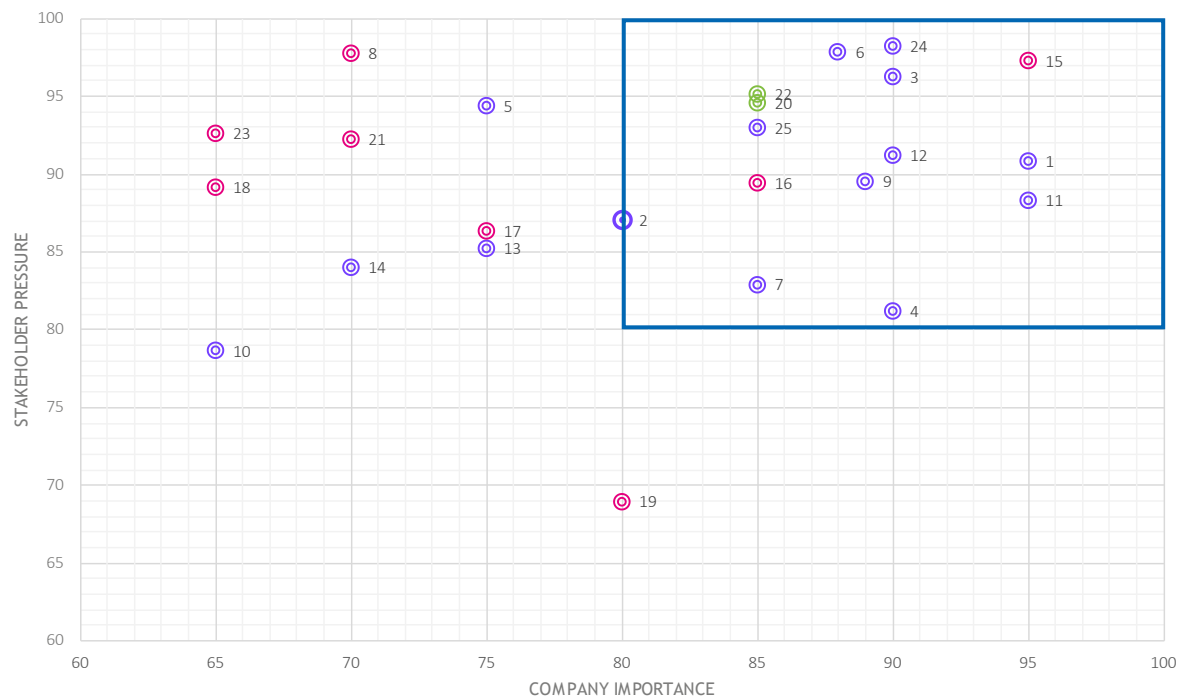
In 2018, Bridgnorth Aluminium Limited took a number of innovative steps to enhance our products, including:

- » Full-scale commercialisation of a new litho product (used in applications with a requirement for higher strength and stronger temperature stability)
- » Developing and supplying a new foilstock product variant, tailored for use in specialised applications (e.g. thin foils for packaging)
- » Developing a very high electrical conductive material, used for the most demanding applications

We continue to work closely with our customers to enhance our existing products to meet the needs of their developing markets. We also explore new markets and applications which we can develop, making best use of our process capability and know-how.

Materiality Assessment

FIGURE 1: Materiality Assessment Results



Key

- | | | |
|--|---|---|
| 1 — Financial performance | 11 — Quality of products | 22 — Pollution management |
| 2 — Reporting and transparency | 12 — Customer satisfaction | 23 — Impact on the local community |
| 3 — Legal and regulatory compliance | 13 — Supply chain management | 24 — Impact of Brexit on the Company |
| 4 — Strategy and market share | 14 — Obsolescence management | 25 — Impact of trade tariffs on the Company |
| 5 — Data privacy | 15 — Occupational health and safety | |
| 6 — Emergency preparedness | 16 — Employee training and development | |
| 7 — Business management systems | 17 — Diversity and equal opportunities | |
| 8 — Stakeholder communication and engagement | 18 — Access to a skilled workforce | |
| 9 — Operation management | 19 — Relationship with a recognised trade union | |
| 10 — Level of product innovation | 20 — Waste and effluents management | |
| | 21 — Resource management | |

Method

Bridgnorth Aluminium Limited is committed to the transparency of our sustainability performance. To inform our prioritisation of sustainability efforts, we use a materiality assessment and follow a four stage process to analyze what is material to us and our stakeholders. This year’s process involved sustainability training for our internal materiality team.

In the latest assessment, 25 material topics were identified in the top 60% of importance, with 15 topics in the upper right quadrant (see Figure 1). The most significant material issue, for both stakeholders and the Company, is occupational health and safety (see page 23). The top 15 material issues will be the basis of our 2019 Sustainability Report.

FIGURE 2a: Materiality Flow Diagram

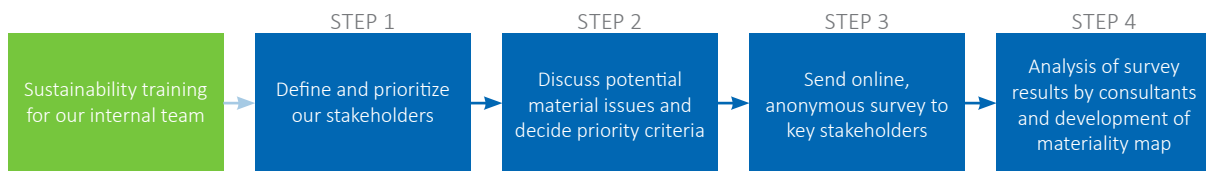
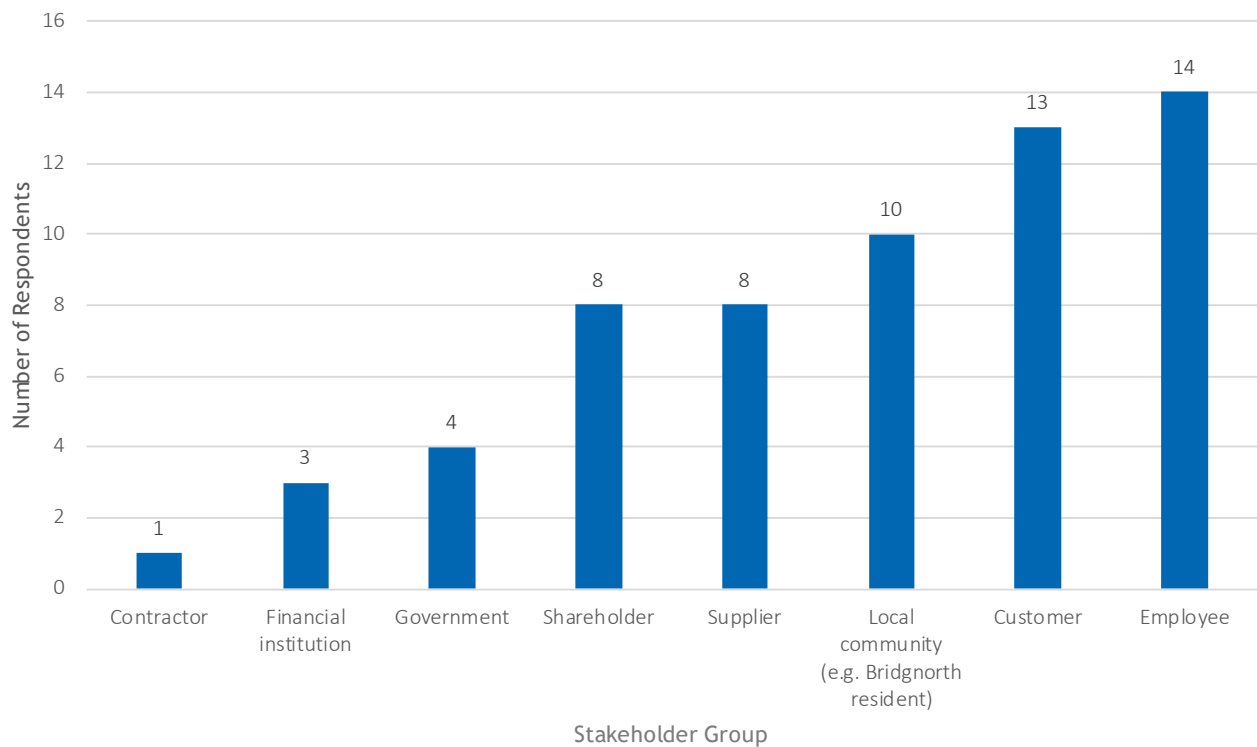


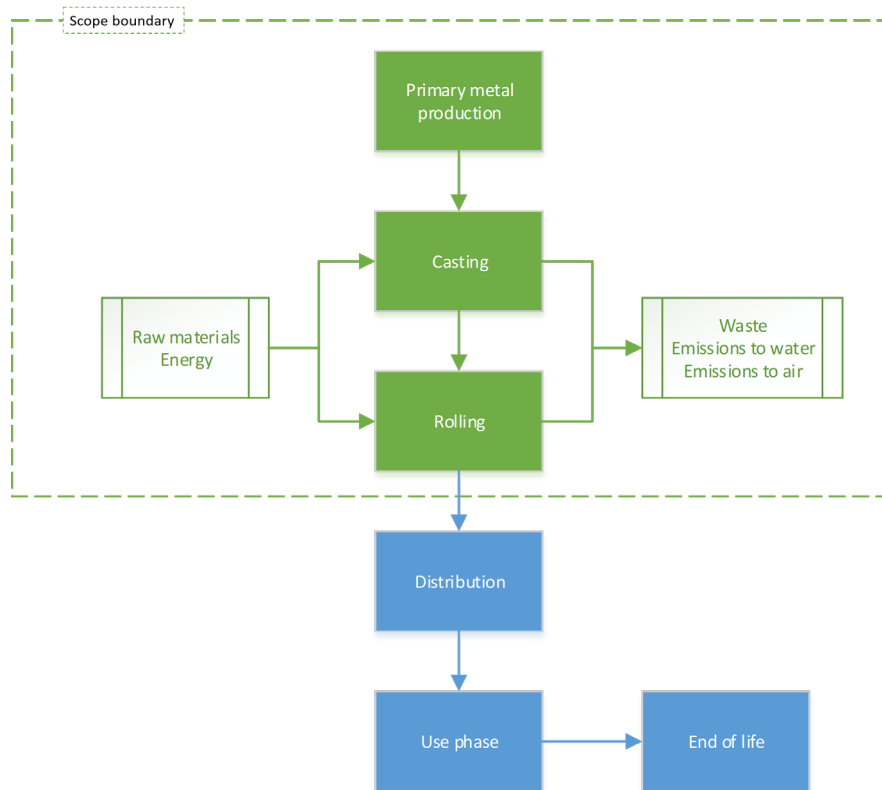
FIGURE 2b: Materiality Assessment Respondents





Environment

FIGURE 3: Life-cycle Assessment Scope Diagram



Life-cycle Assessment

Life cycle assessment (LCA) has been undertaken for two major product lines, lithographic and foilstock material. A cradle to gate approach has been used for both assessments. LCA information is available on request to our customers.

Air Emissions

Bridgnorth Aluminium Limited strives to continuously reduce any potential negative effect on the local community and biodiversity, therefore we measure our emissions to air. In 2018, we had no breach of emissions limits. We operate Air Pollution Control (APC) technology on our casthouse operations to mitigate our effects and use best available techniques for continuous monitoring of particulates. The results are reported to the Environment Agency in accordance with our Environmental Permit.

Greenhouse Gas Emissions

FIGURE 4: Bridgnorth Aluminium Limited’s Tonnes CO₂-eq per Scope



Greenhouse Gases

We use a large amount of electricity and gas in our processes, particularly in our casthouse furnaces and rolling mills. Scope 1 emissions include those that occur directly on site from our operations. In our case, that is combustion of natural gas in our furnaces and diesel usage in our on site transport. Scope 2 emissions include those that occur indirectly to our activities. In our case, these are emissions generated at power plants, from which we import electricity from the national grid.

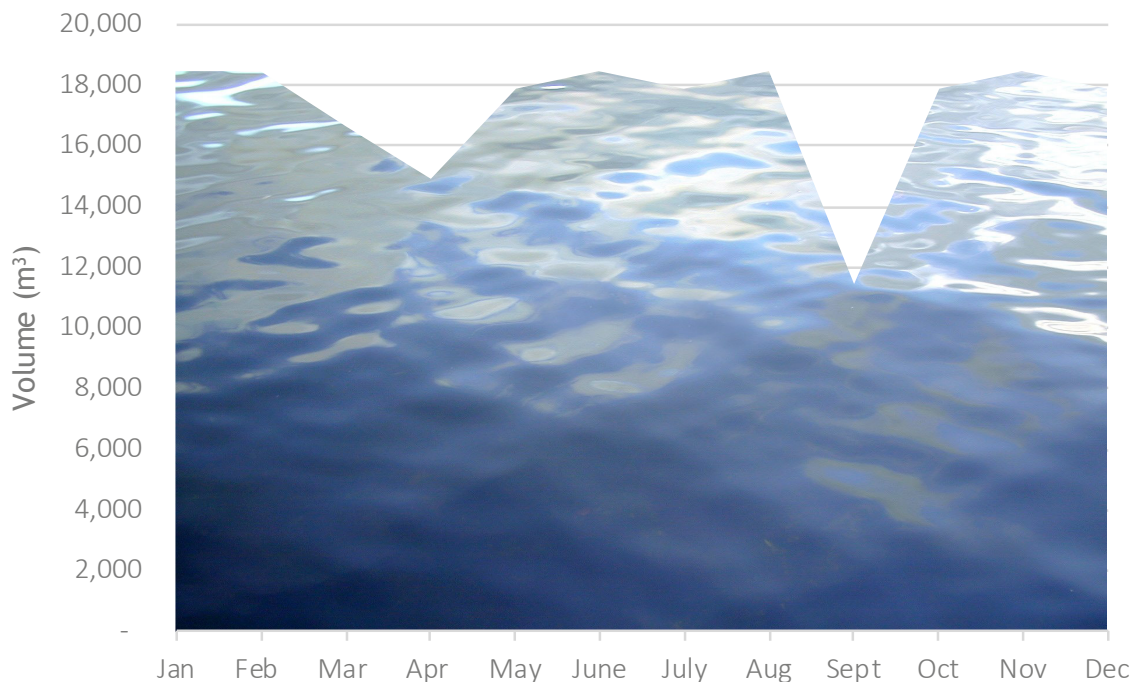
Our ambition for 2019 is to collect data and report publicly on Scope 3 emissions (water usage, waste disposal etc), in line with GHG Protocol best practice.

Targets for 2019

We plan to undertake energy efficiency projects next year to work towards our reduction target of 169 tonnes by the end of 2020. A number of energy projects were highlighted during our annual Energy Review, and considered for potential GHG reduction amongst other criteria. We will compare 2019 data with our baseline year of 2018 to check our progress towards our GHG reduction targets.

Water Management

FIGURE 5: Bridgnorth Aluminium Limited's Water Usage 2018



Water Usage

In 2018, Bridgnorth Aluminium Limited's water usage was estimated at an average daily supply rate of 573m³. Through our *Environmental Aspects and Impacts Register*, two significant water-related risks were highlighted, both related to the potential risk of major spills as a result of emergency operations. To mitigate these risks, we deliver environmental awareness training to our employees and implement specific engineering and operational procedures and controls.

Water Discharge

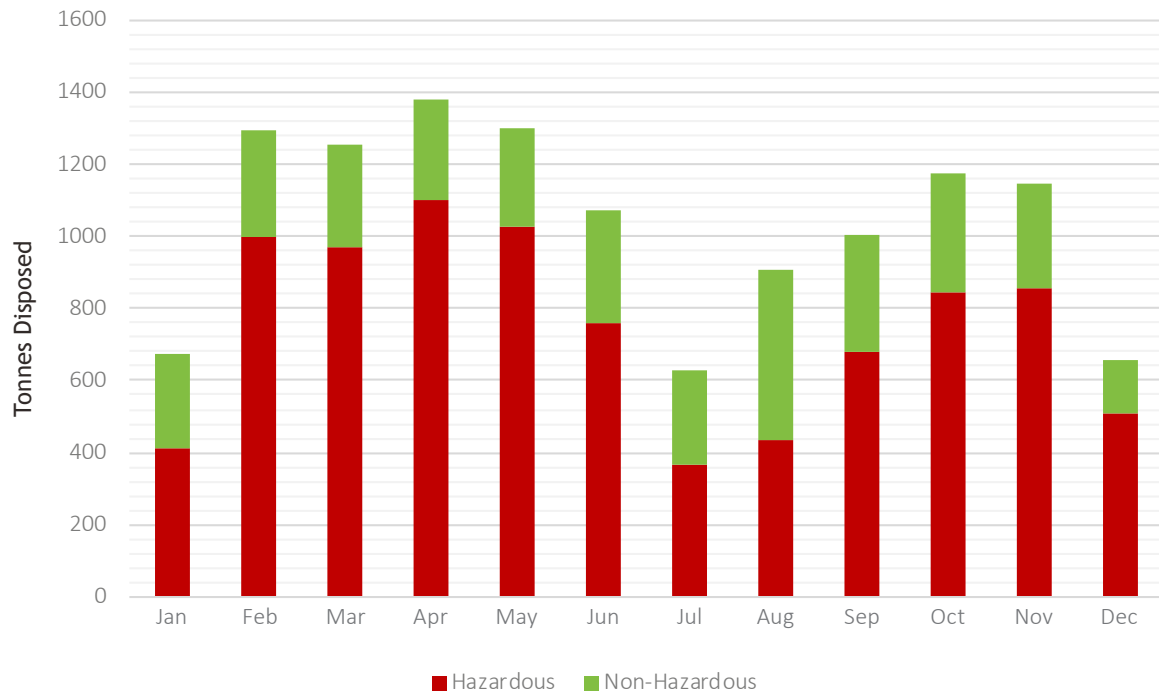
The site operates in conformance with discharge consents and runs a monitoring regime to detect early warning signals of potential limit breaches.

Spills and Leaks

As part of our Environmental Management System, Bridgnorth Aluminium Limited assesses its risk of spills and leaks. In 2018, three significant risks were identified, all relating to major spills/leaks under emergency operating levels. We mitigate these risks through spill response training for our employees and the provision of specialist spill equipment. In 2018, we did not have any major or reportable spills or leaks on site.

Waste Management

FIGURE 6: Bridgnorth Aluminium Limited's Hazardous versus Non-Hazardous Waste 2018

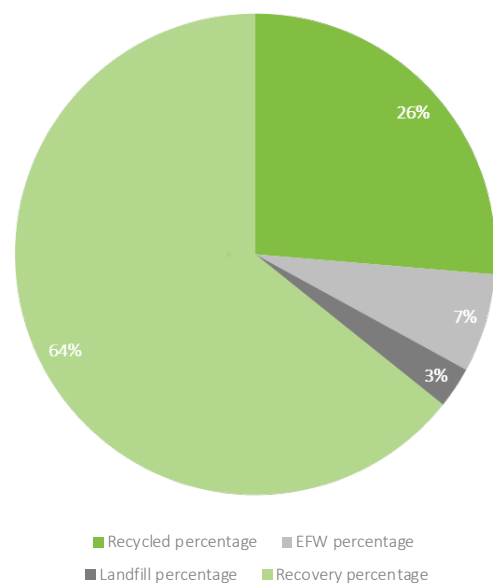


Waste Disposal

2018 was a successful year for Bridgnorth Aluminium Limited's waste management; we achieved 90% recycling and recovery (e.g. recovery of oils) rates, with 3% going to landfill. The landfill waste we create is deemed as technically difficult waste to recycle or recover (e.g. inert waste).

The Company follows the *Waste Mitigation Hierarchy*, with the aim of reducing waste that is landfilled or incinerated with energy recovery (EfW). We operate solely with licensed waste contractors and undertake duty of care visits. Our 2019 plan is to reduce the amount of waste that is taken for energy recovery by implementing a new dry-mixed recycling system on site.

FIGURE 7: Bridgnorth Aluminium Limited's Waste Disposal Routes 2018



Biodiversity



PICTURED: Still from a recording of two badgers on site (Source: Shropshire Wildlife Trust)

Biodiversity

Bridgnorth Aluminium Limited manages its effect on biodiversity through active management of our material use and waste management on site. Air and water emissions are controlled to reduce potential negative effects on biodiversity.

Alien Species

Bridgnorth Aluminium Limited actively prevents alien species introduction through fumigation of containers, heat treatment of wooden pallets and non-invasive planting.



PICTURED: Peacock butterfly on a buddleia on site



Society



PICTURED: Accepting the *Business in the Community* 2018 award (Source: Shropshire Star)

Business in the Community

Bridgnorth Aluminium Limited has a reputation locally as a company with a strong sense of social responsibility. In 2018, our efforts to support Bridgnorth and the wider Shropshire community were formally recognised by Shropshire Chamber of Commerce, who awarded us the 'Business in the Community 2018' award.

A regional newspaper also acknowledged that the Company "*regularly gives back to the local community, supporting local projects, schools and community groups*" and this sentiment is echoed by other local stakeholders, including a Regional Fundraiser for a national charity, who said:



"Your company was recommended in Bridgnorth as being an excellent advocate of charitable giving in the local community"

FIGURE 8: Community Support Overview 2018

| ORGANISATION | SUPPORT | VALUE |
|------------------------------------|--|----------------|
| Bridgnorth Endowed School | Financially supported the school's 2018 Career Programme | £650 |
| St. John's Catholic Primary School | Funded the main prize for the school's summer raffle | £258.32 |
| St. Leonard's C.E. School | Funded a phonic reading scheme for early years | £1532 |
| Severndale Specialist Academy | Sponsored a team of employees to enter a charity golf day | £150 |
| Shropshire Council | Part-sponsored the 2018 Severn Valley 10K Trail Run | £250 |
| Bridgnorth Town Council | Sponsored one of the Bridgnorth Art Trail statues | £2000 |
| | Covered the cost of first aid provision at the 2018 carnival | £368 |
| | Sponsored two categories in Bridgnorth in Bloom (2018) | £100 |
| Northgate Swimming Club | Acted as one of the club's main sponsors | £1500 |
| Bridgnorth Rugby Club | Sponsored a welfare pod at the club's new grounds | £1000 |
| | Headline sponsored the town's biggest fireworks event | £5000 |
| Bridgnorth Cricket Club | Headline sponsored the club | £1500 |
| Bridgnorth Aluminium Fishing Club | Covered the fishing pool's annual rent | £1500 |
| AFC Bridgnorth | Sponsored an advertising board | £100 |
| Bridgnorth Hockey Club | Headline sponsored the club | £1500 |
| Daniels Mill | Covered the cost of the trust's 2018 marketing materials | £400 |
| | Supported efforts to improve the mill's entrance area | £400 |
| Rotary Club of Bridgnorth | Covered the costs of running the "Up the Steps Walk" | £250 |
| Bridgnorth Lions Club | Part-sponsored the club's annual prostate cancer screening | £200 |
| ZacFest | Acted as one of ZacFest's main sponsors | £550 |
| | | £19,208 |

Bridgnorth Rugby Club

Bridgnorth Rugby Club's annual fireworks display is one of Bridgnorth's largest annual community events. Every year, thousands of people gather to watch Bridgnorth's much-anticipated Bonfire & Fireworks Extravaganza, which raises money to support one of Bridgnorth's most-loved community sporting clubs.

To show our support for Bridgnorth Rugby Club and the Bridgnorth community, Bridgnorth Aluminium Limited made a major donation of £5,000 towards the event, which enabled the club to purchase the evening's firework supply.

Bridgnorth Lions Club

Every year, we support Bridgnorth Lions Club's annual prostate cancer screening event. Over 1000 men locally, including many of our employees, attend the screening. As a result of the annual event, more than sixty men have been found to have the disease.

To show our full support of this event, we actively promote the screening event to our employees, and allow all eligible employees to attend the screening session during their shift.

School Engagement



PICTURED: Our Sales and Marketing Manager delivering an assembly on the importance of learning languages to students at Bridgnorth

Bridgnorth Aluminium Limited understands the importance of supporting young people currently in education and goes to great lengths to inspire and prepare students for the world of work. We pride ourselves on having a very high level of engagement with local schools, providing valuable work experience opportunities, advocating STEM subjects and languages uptake, and offering financial aid to support students.

Bridgnorth Endowed School

In 2018, we covered the cost of delivering Bridgnorth Endowed School's Career Programme. This involved covering the cost of a Stardome activity (an interactive, hands-on experience providing young people with an insight into science and engineering-related careers) delivered to Year 7/8 students by Keele University; funding a coach to the University of Worcester, enabling students to experience a taster of university life; and providing financial support towards a Year 11/12 trip to Careers Live (a national event comprising of top employers and universities) at the NEC.



ST LEONARD'S C.E.
PRIMARY SCHOOL

PICTURED: St. Leonard's C.E. School logo

The school knows from experience that career event attendance impacts students positively as they come to the end of their compulsory learning.

St. Leonard's C.E. School

In 2018, we donated £1,531 to St Leonard's Primary School to fund new books for Early Years and Year 1 students. Regarding the donation, the school's Headteacher said:

“Children from St. Leonard's Primary School were extremely grateful to receive this generous cheque from Bridgnorth Aluminium”

Regular reading sessions form a vital part of the curriculum at St. Leonard's C.E. School, and staff hope that the books will provide students with some new and exciting reading material.



PICTURED: Our Fire Systems Supervisor receiving our 'Working in Partnership with Shropshire Fire & Rescue Service' plaque (*Source: Shropshire Star*)

Meres & Mosses Business Environment Network

PICTURED: Meres & Mosses Business Environment Network's logo

Shropshire Fire & Rescue

We offer hands-on assistance to local organisations. One of our closest local links is with Shropshire Fire & Rescue Service (SF&RS). In order to facilitate bespoke training and simulated search and rescue exercises for local crews, the service rely on us to accommodate specialist training. These exercises are co-supervised, co-organised and aided by our on-site fire safety personnel. Fire crews benefitting from this support include those from Bridgnorth, Cleobury Mortimer, Albrighton, Much Wenlock, Tweedale, Wellington and Church Stretton.

Meres & Mosses Business Environment Network

Bridgnorth Aluminium Limited is a Member of the Meres & Mosses Business Environment Network, which exists to bring together organisations from across the Meres and Mosses Nature Improvement area to share best practice and demonstrate their commitment to environmental best practices.

To show our support of the network, we sponsored the 'Charging Ahead: Greening Energy Management' event, held in October 2018. As part of the event, our Sustainability Manager delivered a presentation on ISO50001, the international standard for Energy Management Systems.

Health & Safety

Health & Safety

At Bridgnorth Aluminium Limited, we aim for zero harm. To us, this means that all our employees, and everyone who is on our site will return home safely at the end of their working day. In 2018, we continued to improve our suite of health and safety training for all employees.

| Health & Safety Performance Data | | |
|---|------|------|
| | 2018 | 2017 |
| Total Recordable Incident Frequency Rate* | 7.9 | 15.7 |

*Total recordable incidents per million hours worked

Goals for 2019

- » IOSH *Directing Safely* training for senior management
- » Increased employee consultation and communication on health, safety and wellbeing issues
- » Implementation of a comprehensive programme of air quality and noise surveys
- » Improve health and safety reporting systems
- » Strengthening our health and safety committee
- » Strengthening site wide legionella prevention resource

Employee Wellbeing

In line with our vision of being the best employer in the aluminium industry, Bridgnorth Aluminium Limited goes to great extents to promote the health and wellbeing of its employees. Some of our initiatives include:

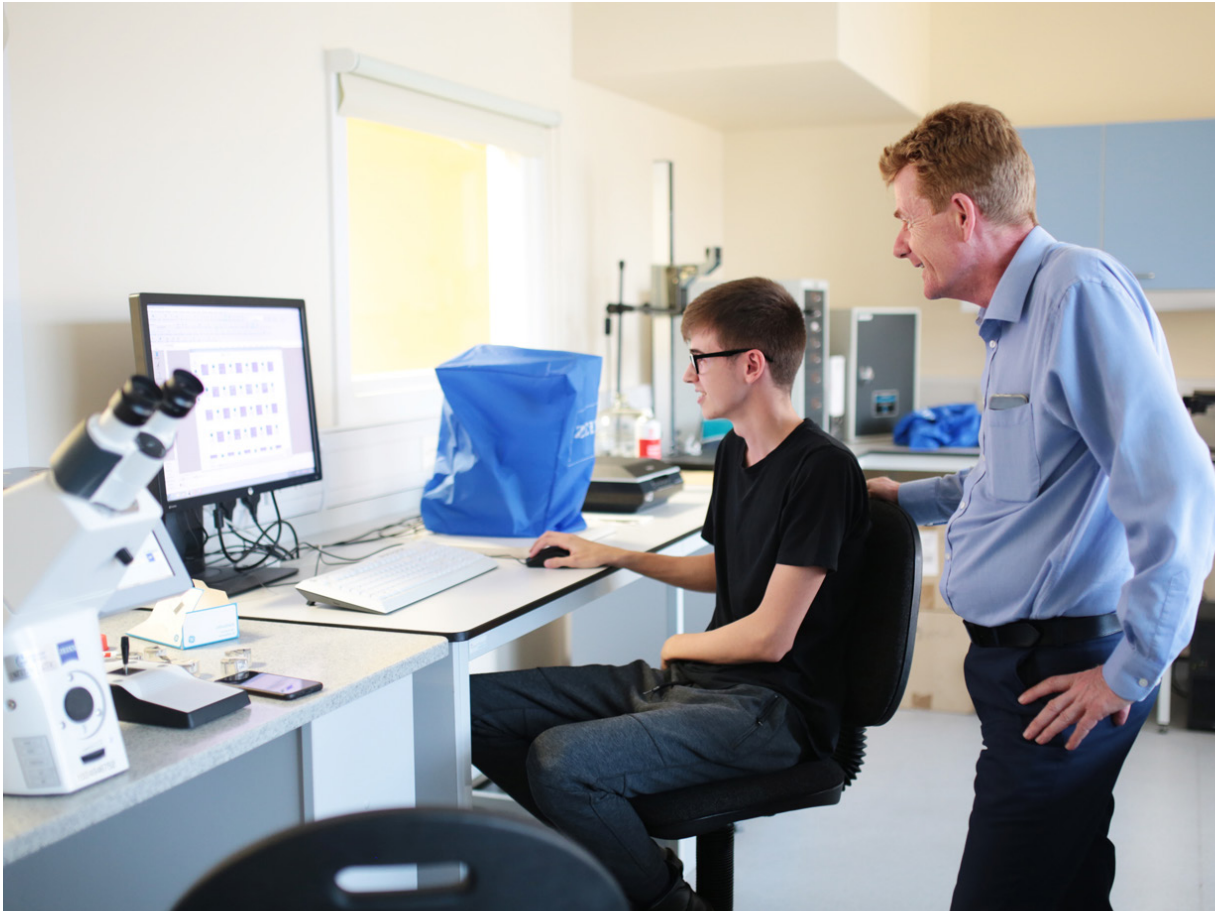
Work-life Balance

- » Flexible working arrangements for office-based staff
- » Operating family-friendly policies (e.g. maternity leave and pay that is more generous than statutory requirements)
- » Offering above statutory holiday entitlements

Healthcare Support

- » Maintaining pay for approved medical appointments
- » Offering a sick pay scheme that is more generous than statutory sick pay (e.g. up to six months at normal basic rate)
- » Providing a range of healthcare cash benefits through a health benefit scheme
- » Participating in the Cycle to Work scheme
- » Offering annual flu vaccines to all employees
- » Offering annual prostate checks for our male employees (aged 50+)

Training & Development



PICTURED: Our Research and Development Manager training one of our Apprentices

Mission

We aim to foster, promote and support employee training that is effective for both the employee and the Company. Our Training and Development mission is realised by:

- » Identifying specific individual and departmental requirements
- » Ensuring that our training is up-to-date and utilises industry best practices at all times
- » Ensuring that employees with a Learning Difference are adequately supported
- » Delivering training that embraces all learning styles, including audio, visual and kinaesthetic, where appropriate

Recognising the Health and Safety of our workforce as paramount, we ensure that all courses are developed and delivered in a manner that is reflective of this.



PICTURED: One of our Apprentices receiving an *In-Comm Training and Business Services Award* (Source: Shropshire Star)

Employee Representation

Union Membership

All employees have the right to join a union, as per the *Trade Union and Labour Relations (Consolidation) Act 1992*. Bridgnorth Aluminium Limited acknowledges that Trade Union membership and acting as a Trade Union representative will not prejudice an employee's employment or career prospects with the Company. We actively recognise UNITE the union as being the sole negotiating body for all employees within their bargaining unit and grant sole collective bargaining rights for the purpose of consultation and negotiation.

Information and Consultation

To ensure that we meet our obligations under the *Information and Consultation of Employees Regulations*, we have an established Information and Consultation Committee (ICC). The ICC Committee meets regularly to ensure that representatives are kept informed of the Company's probable future development, economic situation and probable development of employment, along with exchanging views and ideas and discussing any potential problems.

The committee consists of:

- » Chairperson
- » Secretary
- » Management representative (elected)
- » Office staff representative (elected)
- » Union representatives

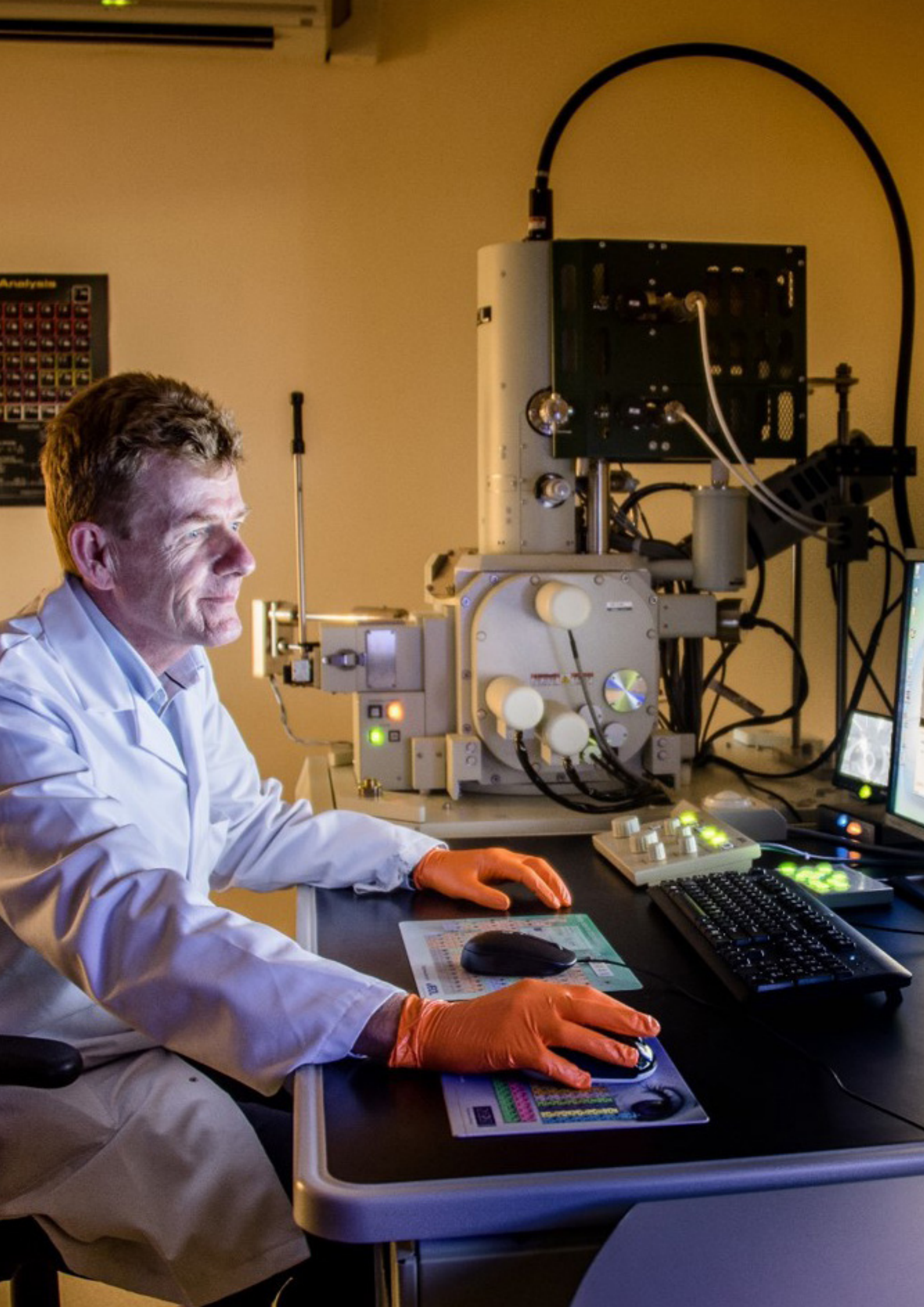
The ICC also includes a subcommittee for pensions to ensure they are covered separately and also includes a non-union representative.



PICTURED: Our Training and Development Officer liaising with several of our employees

Information Sharing Meetings

In addition to the ICC meetings we also have a monthly Information Sharing Meeting which ensures all the union and ICC representatives meet with senior management to share information and maintain dialogue between the Company and its employees. There is a set agenda which updates all parties on recruitment activity, absence statistics and any previous actions along with the ability to raise new questions/concerns/actions. All employees are invited to raise agenda items for the monthly meetings via their Representative(s). Representatives will anonymously raise the items on employees' behalf, reporting back on any key updates or outcomes.



Governance

Employee Data

As per our *Gender Pay Report 2018*, we employed 398 people in 2018 (as of the snapshot date of the report). Compared to the reported total number of employees in our *Gender Pay Report 2017*, the 2018 figure represents an absolute increase of 31 employees and a relative increase of 7.79%.

Employee Gender Data

Details of the gender split and distribution of our workforce are available in our *Gender Pay Report 2018*, which is available to download from our website. Alternatively, you can click [here](#) to access it.

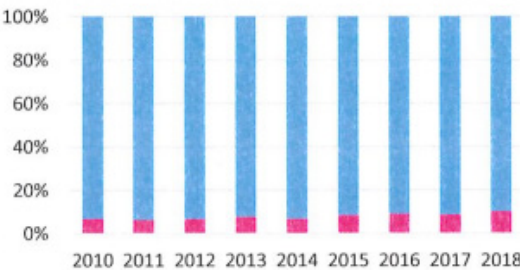


FIGURE 9: *Gender Pay Report 2018*; Male versus female split (percentage terms)

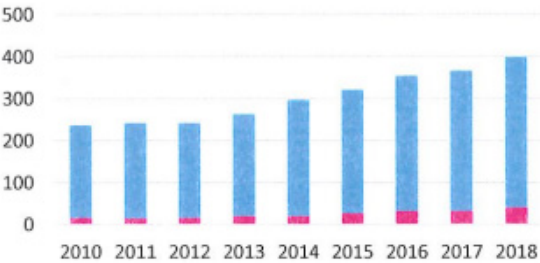


FIGURE 10: *Gender Pay Report 2018*; Male versus female split (absolute terms)

Code of Conduct

In 2018, we started to develop our *Code of Conduct*, to be launched in 2019. The code applies to all Bridgnorth Aluminium Limited employees, and anyone acting in a similar capacity as an employee, and outlines the Company’s behavioural expectations. The document is based heavily on our:

- » Vision and values
- » *Company Handbook*
- » Individual policies and procedures

Our *Code of Conduct* is available to download from our website. Alternatively, you can click [here](#) to access it.

Payments to Government

Bridgnorth Aluminium Limited only makes, or has made on its behalf, payments to governments on a legal basis. In 2018, no contractual arrangements were made with any governments.

Non-compliance and Liabilities

In 2018, Bridgnorth Aluminium Limited did not receive any significant fines, judgements, penalties or non-monetary sanctions for failure to comply with Applicable Law.

