

# Avon Metals Ltd

Incorporating Avon Specialty Metals Ltd



## United Nations Global Compact

### Communication on Progress Covering Calendar Year 2021

16th February 2022

#### To our Stakeholders:

Avon Metals has been a signatory to the United Nations Global Compact since 2007, and we continue to align our operations and strategies with its ten principles in the four key areas of Human Rights, Labour, Environment and Anti-corruption.

Signing the Global Compact affirms our long-standing commitment to strive to conduct business responsibly, and where possible, we actively encourage our business partners and other key stakeholders to join the initiative.

Our Communication on Progress (COP) is made available to stakeholders through the UN Global Compact website ([www.unglobalcompact.org](http://www.unglobalcompact.org))

#### **EXECUTIVE SUMMARY**

**Avon Metals Ltd (AML)**, is a metals recycling company whose main activity is the production of **15,000 metric tonnes per annum** of primary and secondary (scrap) based aluminium alloys in ingot form. These ingots are used by producers of aluminium products to ultimately make a wide range of everyday products. These include; beverage cans; pie case foil; car engines & wheels; aircraft engines and landing gear; building products - such as door and window frame extrusions and curtain walling. The Company is also an important physical trader of various other primary and secondary (scrap) metals.

In 2021 started to integrate its ISO9001, ISO14001 and ISO50001 management systems, and successfully transitioned to ISO50001:2018.

Completion of the integration of the 3 management systems will be achieved after a full recertification audit in Q1 2022

AML is undertaking a full review and revision of its Company Handbook, T&C of employment, H&S policy and its overall social and responsibility policy in 2022.

**Avon Specialty Metals Ltd (ASML)**, is a subsidiary of Avon Metals Ltd whose main activity is in the ethical and responsible sourcing of Specialty Metals, including the processing and trading of up to **1,000 metric tonnes per annum** of metals such as Tantalum, Niobium, Molybdenum, Tungsten, Rhenium, Nickel/Cobalt Superalloys and other special metals in various forms both from primary and secondary sources. ASML products are used by end users in the Superalloy, aerospace, power generation, tooling, powder metallurgy, petrochemical, hard metal & welding industries.

ASML is accredited to ISO9001:2015, and is working towards acquiring ISO:14001. ASML is also covered by the group's ISO50001:2018 held by REMET/AML.

ASML actively works with the Responsible Minerals Initiative, [RMI], to develop their downstream non-smelter accreditation program for accrediting such companies as being Conflict Free using the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict Affected and

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High Risk Areas. ASML was one of the test companies and was accredited via an RMI 3<sup>rd</sup> Party Audit in 2016 for Tantalum and Tungsten.

In 2021 ASML assisted RMI in its recognition as an approved accreditation body for the European Union Conflict Minerals Legislation, Tantalum, Tungsten and Cobalt were audited under the supervision of EU observers. ASML passed its audits and is expected to receive recertification as a Conflict Free Downstream Supplier in early 2022.

### **MISSION STATEMENT**

To maximise shareholder value through the manufacture and timely supply of high quality, ethically produced, eco-friendly innovative metals and alloy products and services to our global customers, whilst inspiring a safe, dynamic and challenging environment that enriches the lives of our employees and the communities within our sphere of influence.

### **INTRODUCTION TO OUR SUSTAINABILITY PHILOSOPHY**

Sustainability, or sustainable development, is often defined as acting in a manner that meets the needs of today without hindering future generations.

Since 2006, Avon Metals Ltd made a conscious decision to embark on a pioneering journey towards implementing, measuring and reporting sustainability.

Sustainability is more than just an initiative for AML - it is a philosophy that permeates right through the company influencing every single activity and decision. AML is committed to this philosophy and to continuous improvement on our road towards total sustainability. We seek to create a world class brand that will motivate customers, employees, suppliers and communities to partner with us for mutual long term benefit.

In its pursuits to achieve sustainability, Avon has cultivated new markets and forged new partnerships in a diverse array of market sectors ranging from aerospace and automotive, to alternative renewable energy sources and commercial applications for our process residues.

Progress is benchmarked against realistic internal and external business targets. Reliable measurement is essential to guarantee continued monitoring, careful evaluation, committed implementation and tangible results.

Continuous improvement is our aim, and to this end we have accredited ISO9001 Quality Management System and ISO14001 Environmental Management System in place to ensure we continue to develop and improve the businesses into the future. To complement these systems, a group ISO50001 Energy Management System has been accredited to target energy efficiency and recovery.

Input from stakeholders & shareholders alike will be actively sought and encouraged to ensure that we continue to implement best practices. We strive to exceed stakeholder expectations and improve the quality of life through our products and actions, and we will communicate transparently our vision, objectives and performance.

**Richard McAlister-Martin, Technical and Compliance Director November 2021**

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## The Ten Principles

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption:

### 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.

### 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.

### 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.

### Anti-Corruption

- **Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery.

## 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.

Avon Metals works with suppliers who share our commitment to human rights.

Avon Metals Supplier Code of Conduct, required of all third party suppliers, encourages engagement with key human rights issues such as child labour, discrimination and working conditions throughout the Supply Chain.

In the past reporting period 2021, Avon Metals has not been subject to any investigations, legal cases, incidents or breaches of Avon's Code of Business Conduct, and in particular none related to human rights abuses.

Avon Specialty Metals has acknowledged the Securities and Exchange Commission final rule pursuant to section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act relating to the use of conflict minerals, related to Tantalum and Tungsten in ASML's case. ASML has developed a Conflict Minerals Policy which was implemented companywide in 2013 and the latest issue is available to the public on our website at the following address.

[https://www.avonspecialtymetals.com/files/ugd/affc40\\_8e96af782d294a7a8ae7be1d061bf4f5.pdf](https://www.avonspecialtymetals.com/files/ugd/affc40_8e96af782d294a7a8ae7be1d061bf4f5.pdf)

ASML worked with the Responsible Minerals Initiative, RMI to develop a downstream non-smelter protocol for accrediting such companies as being Conflict Free using the OECD Due Diligence Guidelines for Responsible Supply Chains of Minerals from Conflict Affected and High Risk Areas.

ASML was one of the test companies and was accredited via an RMI 3rd Party Audit in 2016 for Tantalum and Tungsten.

In 2021 ASML assisted RMI in its recognition as an approved accreditation body for the European Union Conflict Minerals Legislation, Tantalum, Tungsten and Cobalt were audited under the supervision of EU observers. ASML passed its audits and is expected to receive recertification as a Conflict Free Downstream Supplier in early 2022.

ASML and ASML acknowledge the UK Modern Day Slavery Act 2015, issue statements at the end of each financial year.

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## **AVON METALS LTD POLICY ON HUMAN RIGHTS (UNDER REVIEW)**

The objective of this policy is to minimise risks to Avon Metals from a breach of international Human Rights standards by the company or by association with business partners and suppliers. It aims to protect the business by providing a framework of fundamental principles of Human Rights by which Avon Metals Ltd will be guided in the conduct of its business.

### **Background**

Human rights can be defined as basic rights that allow individuals the freedom to lead a dignified life, free from fear or want, and free to express independent beliefs. Avon Metals Ltd supports the principles of Human Rights set out in the Universal Declaration of Human Rights (UNDHR), International Labor Organization's Declaration on Fundamental Principles and Rights at Work and is a signatory of the United Nations Global Compact.

### **Scope**

This Policy applies to all Avon Metals Ltd operations, including wholly or majority owned subsidiaries and associated companies where Avon Metals Ltd has management control. Particular attention is required by procurement functions when considering material tenders, third party contracts, business partners, suppliers and their supply chains where practical. It is not feasible to assess every supplier and the entirety of their supply chain.

While we do not have a direct influence over our business partners' operations, we look to engage with them and demonstrate our own internal standards. Where local legislation conflicts with this statement, we will comply with the law while seeking to promote best practice through our own conduct.

The role of companies and Human Rights has no single universal set of principles. We continue to monitor international developments and adhere with best practice such as the UNDHR and UN Global Compact whilst being mindful of national and cultural differences.

### **Statement of principles**

Avon Metals Ltd respects and supports the following:

- The right to equal opportunity and non-discriminatory treatment
- The right to security of person
- The rights of children
- The freedom of association and right to collective bargaining
- It will not use forced or compulsory labour
- It will provide a safe and healthy workplace
- It will pay workers a fair wage
- It will not pay bribes
- It will ensure that the company's services and products are not used to abuse human rights

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## **Employees**

Avon Metals Ltd employees are required to comply with our Business Principles, Brand Beliefs and code of conduct through our human resources policies and procedures.

## **Business partners and suppliers**

Avon Metals Ltd will strive to ensure that procurement functions (dealing with material tenders, third party contracts and suppliers and functions dealing with business partners (commercial lines, joint ventures, etc) endeavour to seek partners upholding the same principles through their operations and supply chains where practical.

## **Customers**

Avon Metals Ltd will seek to ensure that its products and services are not used to abuse human rights. Avon Metals Ltd will regularly appraise the social and economic climate of every country where we do business.

Signed

A handwritten signature in dark red ink, appearing to read "Richard McAlister-Martin". The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Richard McAlister-Martin

June 2021

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## LABOUR

**Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

As covered by our Human Rights Policy, Avon Metals respects the freedom of its individual employees to join, or chose not to join, legally authorised, trade unions, associations or organisations.

As of the end of 2021, none of Avon's employees have taken the option to join legally authorised, trade unions, associations or organisations.

During the reporting period 2021 there were no strikes or lockouts at Avon Metals.

**Principle 4:** the elimination of all forms of forced and compulsory labour

As covered by our Human Rights Policy, Avon Metals states it will not use forced or compulsory labour.

All Avon Metals employees work for the company as a result of need or want. No one is forced to work for Avon Metals. Avon Metals is solely based in the United Kingdom and abides fully with UK and European Law and as such prohibit the use of any forced labour, including slavery, servitude or prison labour.

Avon Specialty Metals has implemented a Conflict Free Minerals policy, which aims to eliminate amongst other things, all forms of forced and compulsory labour in our supply chain.

AML and ASML acknowledge the UK Modern Day Slavery Act 2015 and issuing statements for their financial years.

**Principle 5:** the effective abolition of child labour

As covered by our Human Rights Policy, Avon Metals recognises the rights of children.

Avon Metals does not employ child labour. Avon Metals is solely based in the United Kingdom and abides fully with UK and European Law with respect legal age for employment.

Avon Specialty Metals has implemented a Conflict Free Minerals policy, which aims to eliminate amongst other things, all forms of child labour in our supply chain.

**Principle 6:** the elimination of discrimination in respect of employment and occupation.

As covered by our Human Rights Policy, Avon Metals states the right to equal opportunity and non-discriminatory treatment.

Avon Metals views as unacceptable any form of harassment, or unfair or unlawful discrimination based the 9 protected characteristics, age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation, whether by employees, temporary employees, managers, customers, vendors or Avon Metals' visitors.

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All employees are made aware of our zero-tolerance stance towards discrimination of any kind.

An Employee Conduct Code is included in the company handbook.

Help with English Lessons is offered for speakers of other languages.

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges

**Principle 8:** undertake initiatives to promote greater environmental responsibility

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies

Avon Metals is a forward thinking, environmentally conscious company, and we have made a pledge to reduce our carbon footprint as far as practically and economically possible.

As renewable technologies become ever more efficient and cost effective, Avon Metals will investigate where such technologies can be implemented to offset our primary energy usage.

AML core business is centred about the procurement and recycling of scrap metals predominantly Aluminium, but also a whole host of other metals. Many of these secondary materials are reprocessed into new alloys for onward use in a vast range of industries or refined or traded on to be incorporated into new alloys or parts.

This activity is significantly less energy intensive than the production of those metals via primary routes. Typically, producing 1 mt of aluminium alloy from scrap secondary aluminium uses 1/20<sup>th</sup> of the energy used to produce the same alloy from primary smelting alumina.

Secondary Production is the process of recycling aluminium scrap into aluminium that can be used again—an environmentally sound process that is 92 percent more energy efficient than primary production.

Similarly, the majority of ASML's input raw materials are derived from secondary sources and are subsequently processed so that they may re-enter the supply chain at a fraction of the specific energy that is required to smelt the primary metal

Together with this sustainable business plan Avon has also committed to minimise the impact on the environment as much as possible.

Avon Metals have accredited ISO 14001 environmental and ISO 50001 energy management systems which are accredited by ABS Quality Evaluations, Inc. An independent accreditation body.

In 2021, work continued to minimise kWh per tonne, and has a number of capital and non-capital projects planned for 2022, including working with UK Innovate and 3<sup>rd</sup> Party Furnace



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manufacturer to design and develop a high efficiency scrap melting complex to melt lower grade scraps, some previously unrecyclable.

The movement of scrap metal around the plant can be very noisy. A number of initiatives have been implemented to minimise the escape of noise from the site. These have included the installation sound dissipation vents, acoustic dampening roller doors, trees around the site boundaries to absorb noise and we have restricted our scrap movement hours from 7:00 hrs - 22:00 hrs to 7:00 hrs - 19:00 hrs.

Avon Metals continues to source aluminium packaging waste, foils, cans, food containers etc for remelting into new alloys. This in the first instant, stops this material going for landfill disposal and secondly reduces the requirement for primary aluminium which is significantly more energy dense due to the energy required to smelt aluminium ore.

Avon Metals Ltd is working towards Zero to Landfill which is targeted for 2022. This will be in cooperation with the companies we contract to undertake waste collection and management.

## **STATEMENT OF CONTINUED SUPPORT FOR THE UN GLOBAL COMPACT'S CEO WATER MANDATE**

As an active UNGC signatory, Avon Metals are also part of the CEO Water Mandate which focuses on achieving more sustainable consumption of this essential resource. By joining the CEO Water Mandate, Avon Metals aims to work towards these principles.

The Mandate is broken into six key areas: direct operations; supply chain and watershed management; collective action; public policy; community engagement; and transparency. Each key area concludes with a pledge for signers to commit to a number of related actions. The basic requirements of the mandate are reported in the following sections, and whilst Avon Metals is committed to water conservation, due our size **not all of** the pledges contained in the mandate are achievable for Avon Metals, but feel it is important to acknowledge them all, should they become applicable in the future, however our resources will be mainly focused on our Direction Operations.

### **1. Direct Operations**

Virtually all business organizations, whether small or large, utilize water in the production of their goods and services. The extent of this use varies across industrial and economic sectors. For instance, water-infrastructure companies play a direct role in working with governments and municipalities to manage water and wastewater systems. In other cases, water is a primary ingredient in an organization's final product. Water is also crucial in the manufacturing or development process of many companies.

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In still others, water is a primary resource in the supply chain. In areas of water stress, rapid industrialization, and economic development place significant demands on water resources.

Therefore, we pledge to undertake the following actions, where appropriate, over time:

- Conduct a comprehensive water-use assessment to understand the extent to which the company uses water in the direct production of goods and services.
    - Virtually all the water consumed at Avon is related to process cooling.
    - Where possible, closed circuit systems are used to minimise water consumption.
    - As to the non-closed circuit cooling systems, they have been designed to ensure that over 95% of the water used is returned to the atmosphere as pure steam thus reducing loading on water treatment plants and returning pure water to the environment.
  - Set targets for our operations related to water conservation and wastewater treatment, framed in a corporate cleaner production and consumption strategy.
    - In development.
  - Seek to invest in and use new technologies to achieve these goals.
    - Investigation into more efficient water sprays for ingot/product cooling
  - Raise awareness of water sustainability within corporate culture.
    - Periodic personnel awareness about the importance of efficient water use.
  - Include water sustainability considerations in business decision making
    - Procurement of new capital equipment will consider water consumption if applicable.
2. Supply Chain and Watershed Management
    - Not currently undertaken
  3. Collective Action
    - Not currently undertaken
  4. Public Policy
    - Not currently undertaken
  5. Community Engagement
    - Not currently undertaken
  6. Transparency
    - Annual UN GC COP

**Richard McAlister-Martin - Technical and Compliance Director**

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## Anti-Corruption

**Principle 10:** Businesses should work against corruption in all its forms, including extortion and bribery

In an effort to combat global corruption, the World Economic Forum Partnering Against Corruption Initiative (PACI) was formally launched by CEOs from the Engineering & Construction, Energy and Metals and Mining industries in January 2004. PACI is business driven global initiative with commitment from the top.

The PACI is the only global business-driven, anti-corruption initiative; it commits corporate leaders to action. It brings together companies in multiple industries from all over the world, regardless of their membership in the World Economic Forum or the size of their company. By signing the PACI Principles, signatory companies like Avon Metals commit to having a zero tolerance policy towards bribery and to developing and implementing or maintaining a broad-based, anti-corruption programme to guide the behaviour of their employees.

The PACI's mission is to develop multi-industry principles and practices that will result in a competitive level playing field, based on integrity, fairness and ethical conduct. The PACI Principles for Countering Bribery, create a common language on corruption and bribery valid for all industries firmly believing that corruption cannot be countered without leadership and commitment from the top.

These principles also apply to key business relationships with controlled subsidiaries, joint ventures, agents and other intermediaries, as well as contractors and suppliers. Effectiveness is ensured by a self-assessment process, which allows for companies to receive expert feedback on their anti-corruption programmes.

The PACI places the private sector in a unique position to guide governments' and international organizations' strategies and policies on anti-corruption and has built strong relationships with the key players and institutions from the global anti-corruption landscape.

The text of Avon Metals Ltd Business Ethics and Anti-Corruption Policy is shown below.

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## AVON METALS LTD

### BUSINESS ETHICS & ANTI CORRUPTION POLICY (UNDER REVIEW)

#### POLICY STATEMENT

It is the policy of Avon Metals Ltd to conduct business in an honest and ethical manner. A zero-tolerance approach is applied to bribery and corruption at every level in the business. This policy provides guidance in accordance with the Bribery Act 2010 but if you are concerned about any business dealing, irrespective of the ACT, you should report this immediately to your Manager or a Director.

This policy applies to all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, home workers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with the Company, its subsidiaries or their employees (collectively referred to as **workers** in this policy, whether located in the UK or overseas. It also applies to third parties. In this policy, **third party** means any individual or organisation you come into contact with during the course of your work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

The Company will monitor the effectiveness of this policy regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. It does not form part of your contractual terms.

#### WHAT IS BRIBERY?

A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage. This may include offering a potential client tickets to a major sporting event but only if they agree to do business with the Company. Bribes may not be obvious. For instance, if a supplier gives your nephew a job, but makes it clear that in return they expect you to use your influence in the business for their benefit, this would be unlawful. It would also be an offence to arrange to pay an additional amount a foreign official to speed up an administrative process, such as clearing our goods through customs.

The aim of this policy is not however to prohibit normal and appropriate hospitality being given to or received from third parties. Gifts or hospitality must not however be given or received with the intention of influencing a third party to provide a business or personal advantage. You should ensure:

- The gift or hospitality offered or received complies with local law;
- Is given in the name of the Company, not in your name;
- It does not include cash or a cash equivalent (such as gift certificates or vouchers);
- It is appropriate. For example, in the UK it is customary for small gifts to be given at Christmas;
- Considering the reason for the gift, it is appropriate in terms of type, value and timing;
- It is given openly, not secretly; and is not offered to or accepted from government officials or representatives, or politicians or political parties, without the prior approval of a Director.

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It is not acceptable for you (or someone on your behalf):

- To give, promise to give, or offer, payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward an advantage already given;
- Accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them or a business advantage will be provided by the Company in return;
- Accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation of a business advantage;
- Threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
- Engage in any activity that might lead to a breach of this policy.

### **YOUR RESPONSIBILITIES**

You must ensure that you read, understand and comply with this policy. The policy is communicated to all new workers as part of their induction process and is communicated, with relevant training, to existing workers. The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the Company.

You must notify your Manager or a Director as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a client or potential client offers you something to gain a business advantage, or indicates to you that a gift or payment is required to secure their business.

The Company is required to keep financial records which will evidence the business reason for making payments to third parties. You must therefore declare and keep a written record of all hospitality or gifts accepted or offered, and ensure that all expenses claims relating to hospitality, gifts or expenses incurred are submitted in accordance with the expenses policy and specifically record the reason for the expenditure.

Any employee who breaches this policy will face disciplinary action, which could result in dismissal for gross misconduct.

### **RED FLAGS**

In the industry sector in which the Company operates, the following circumstances are considered to be the areas where risks are most likely and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

- You become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- A third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- A third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- You receive an invoice from a third party that appears to be non-standard or customised;
- You are offered an unusually generous gift or offered lavish hospitality by a third party;

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## RAISING CONCERNS

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage or if you are offered a bribe by a third party, are asked to make one, or suspect that this may happen in the future,. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your Manager or a Director.

The Company encourages openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. The Company is committed to ensuring no one suffers any detriment or unfavourable treatment as a result of refusing to take part in bribery or corruption, or because they report something in good faith. If you believe you have received any such treatment, you should raise the issue initially with your Manager and if it is not remedied, and you are an employee, you should raise it formally through the grievance procedure.

**Steven Munnoch, Managing Director**

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## Current and Future Projects

Avon Metals continues to assess projects that have the potential to reduce our environmental impact and promote social responsibility.

After raw material procurement, energy procurement is the next biggest cost for Avon Metals. Avon Metals fully supports the implementation of UK ESOS initiative in 2015, and implement an ISO50001 Energy Management System to compliment the ISO14001 Environment Management System. ISO50001 EnMS was fully accredited 30<sup>th</sup> June 2016.

In late 2020 individual Gas metering was installed on all Gas fired furnaces and fully implemented during 2021. Connection to a cloud-based energy management platform allows real time, period-based analysis of specific energy consumption of those furnaces as kWh/tonne.

It is planned to extend this to the Electric Induction furnace when funds allow.

New energy efficiency and decarbonisation projects for 2022.

- Gas melted Liquid Metal Transfer to electric induction furnaces. This has the potentially of significantly reducing electric usage and its accompanied carbon saving, whilst increasing output efficiency.
- Design and development of a novel high efficiency gas fired meting complex to reclaim and melt lower grade scrap.
- Investigate the use of salt fluxes to reduce metal losses to dross
- Reimplement the LeanPal efficiency program, subject to resources availability
- Continue to work with BEIS on Industry Wide Energy and Carbon reduction initiatives.

Avon Metals continues to look for opportunities to further support its sustainability Ethos related to all aspects of its business, including business partnerships with national and international corporations developing circular economy principles. For example, we have active programs with the automotive sector.

AML will undertake a full review and revision of its Company Handbook, T&C of employment, H&S policy and its overall social and responsibility policies in 2022, which include the addition of a Supplier Code of Conduct to its Purchase Contract T&C, and the development of the Code of Business Conduct

*The above COP has been compiled by Richard McAlister-Martin Technical and Compliance Director, for and on behalf of **Avon Metals Ltd***

**16-Feb-2022**

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