CELSA GROUP | CELSA STEEL UK

UK LEADERS IN STEEL RECYCLING

SUSTAINABILITY STATEMENT 2021

CELSA Manufacturing (UK) Limited

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WELCOME FROM GENERAL MANAGER

At CELSA we are passionate about the environment and our business is model is based on recycling steel using Electric Arc Furnace.

As the largest producer of recycled steel in the UK, we are continuously striving to minimise the impact we have on our planet. In addition to our ongoing commitment to excellence in environmental management, in 2020 we committed to achieving net zero greenhouse gas emissions by 2030. This is an ambitious undertaking, but also essential for long-term prosperity of CELSA UK, of Wales and of the wider community. In doing so, we will be aligning with government strategies and industry methodologies.

This was also a year in which the continuing impacts of COVID-19 were felt worldwide, and CELSA UK was no exception. We have had to adapt to new ways of working and living. Achieving this was a huge task for everyone involved and a clear demonstration of the dedication of CELSA employees and contractors across our operational units. Now- approaching the end of the year – is a time to reflect and learn from the lessons it has taught us.

This report is an important part of communicating our successes and challenges to key stakeholders, many of which are, and will continue to be, essential partners in achieving our sustainability goals in 2022 and beyond.

ABOUT CELSA

CELSA was founded in Barcelona in 1967 with its first rolling mill. A decade later an electric arc furnace started producing steel at the Barcelona plant. The CELSA GROUP™ grew through reinvestment and successive acquisitions to become a well-recognised brand in steel manufacturing.

WHAT WE DO

CELSA has a diverse range of steel production and processing operations strategically positioned across Europe to both maximise our competitive spread and reduce our transportation impacts through greater efficiency. The CELSA group of companies employ about 7,000 people across Europe, operating from seven steel plant locations and numerous downstream fabrication units. We take our responsibilities seriously. We believe in people and are committed to the health, safety and development of our employees and communities in which we operate in. We believe in sustainable development and are committed to the ongoing improvement in managing the environment and in supplying sustainable products. We believe in integrity and are committed to managing all aspects of our business with honesty and transparency. We strive to be global leaders in steel through our ground-breaking approach, delivering best-in-class service to our clients.

Our purpose is: To satisfy all our customers with quality products, excellent and direct service. To be a competitive, profitable and innovative group, leading our target markets and achieving sustained growth, by being an efficient, flexible and dynamic organisation.

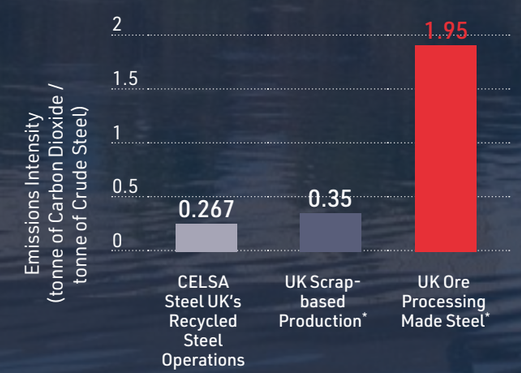
We believe in: Our people, their effort, professional and personal development and teamwork. Continuously improving all of our processes and activities and the permanent updating of our technology. Managing and operating our business in an ethical, safe and environmentally responsible manner.

CELSA Manufacturing (UK) Ltd (CELSA) was acquired by the CELSA Group in 2003. CELSA is the largest producer of steel reinforcement in the United Kingdom and one of the largest producers of other long steel products.

NO. 1 STEEL RECYCLING COMPANY IN THE UK

Our facilities at Cardiff comprise a state-of-the-art melt shop built in 2006, and two hot rolling mills: One for rolling reinforcing products and wire rod, the other for rolling merchant bar and light sections. We manufacture and deliver around 1 million tonnes of finished product annually, largely for the UK and Irish markets. With over 750 employees, as well as several hundred sub-contractors in South Wales, we see our business as an important supporter and member of the local community. All of the steel we produce in our melt shop is produced from scrap metal using the electric arc furnace (EAF) process.

As a result of using recycled source materials and advantages inherent in the use of EAF, CELSA steel is over 80% less carbon-intensive than steel produced in a blast furnace using virgin materials.



Based on actual production figures for CELSA Steel UK 2020 & UK CO_2 per MWh conversion factor

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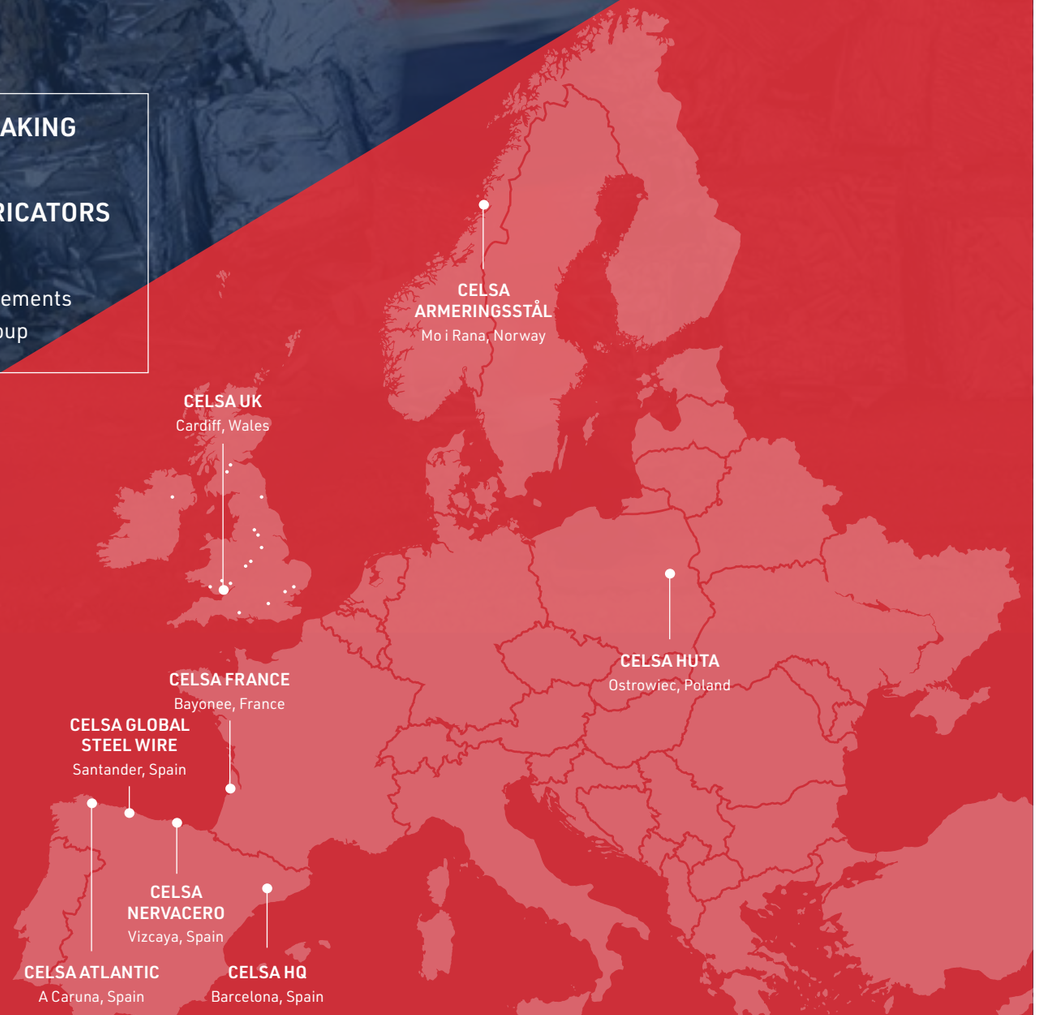
> ...Teamwork is at the heart of great achievements.

CELSA attitudes

- Honesty
- Humility
- Creative perseverance
- Teamwork
- Passion
- Groundbreaking approach

- **STEELMAKING SITES**
- **UK FABRICATORS**
  - BRC
  - Express Reinforcements
  - ROM Group



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

CELSA Group is committed to aligning its operations with Ten Universally Accepted Principles and 17 Sustainable Development Goals (SDGs).

The SDGs emphasise the importance and relevance of the 'three pillars' model of sustainability – environmental, social and economic. CELSA Group has underlined this commitment by entering into a Compact with the UN on areas as diverse as human rights, employment regulations, the environment and fighting corruption.

CELSA UK are participating in a CELSA Group initiative to align our SDG mapping internationally in order to co-ordinate focus on the key areas where we can have the greatest impacts. As such, this 2021 report includes an overview of our social and economic impacts.

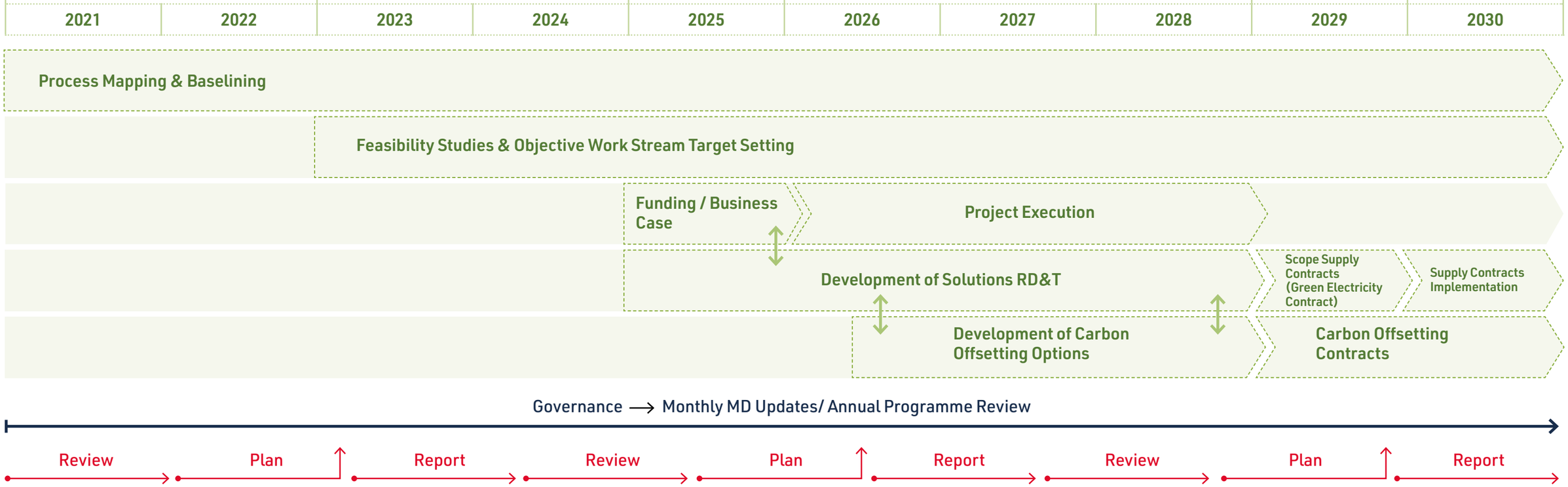
NET ZERO 2030

Steel is an essential component in building and infrastructure projects and our recycling-based Electric Arc Furnace process already allows us to produce steel with 86% lower carbon-intensity compared with traditional blast furnace steelmaking.

We are committed to going further by achieving Net Zero Carbon emissions by 2030 and have developed a plan to achieve our goal.

Our pathway consists of 6 phases, which allows both quick-impact and longer-term capital improvements to be run in parallel, having first identified and quantified each element of our carbon emissions to detailed process elements.

NET ZERO CARBON PATHWAY - OVERVIEW



**Figures are indicative and will be confirmed after Phase 1 of the Pathway. Commencement of opportunities A, B & C will be confirmed after Phase 1 of the Pathway.*

STANDARDS AND CERTIFICATIONS

1 CELSA UK adheres to this responsible sourcing standard, which ensures that we are able to prove our products have been created from responsibly sourced materials. As an independent, third party assessed certification, it reinforces the credibility of the quality which our products have.

2 Eco-Reinforcement is an additional third party accredited certification for all of CELSA UK's Rod and Bar Mill products, created specifically for the reinforcing steel sector in order to demonstrate compliance with BES 6001 (above). Being steel industry specific means that exacting standards are used to assess compliance of CELSA UK products to responsible sourcing practises.

Both BES 6001, and Eco Reinforcement have been developed by the Building Research Establishment (BRE).

3 This standard looks at the Environmental Management System a company uses. It's assessed against a wide range of criteria to ensure a company is keeping reliable records of any activities and demonstrating environmental awareness and responsibility. Although many other manufacturing companies already adhere to this standard, there is unlimited potential for improvement, which CELSA UK has continued to take advantage of since it was certified to the previous edition of the standard (ISO 14001) in July 2005.

4 CELSA Manufacturing is certified to the SustSteel mark. The mark is granted to companies producing steel products for the construction sector, complying with the defined requirements for the economic, environmental and social aspects of sustainability. Certification to the SustSteel mark demonstrates our continual improvement and commitment to the sustainability of all aspects of our operations.

5 CELSA Steel UK has partnered with Supply Chain Sustainability School to demonstrate our ongoing commitment to the sustainable sourcing of the materials in our supply chain.

6 CELSA UK is proud to provide its customers with a wide range of high quality steel products. Each product and process is subject to stringent quality control to ensure that products conform to British and European Standards through CARES approval and CE marking. CELSA's Quality Management System is certified to ISO 9001.

7 Producing around a million tonnes of steel per year comes with inherent safety risks, and ensuring a safe workplace is central to CELSA's thinking, training and process management. ISO 14001 provides a structure to monitor and measure our performance and ensure that we are never complacent about safety and continuously improve.

1 2 3

BES 6001 Responsible Sourcing

eco REINFORCEMENT

International Organization for Standardization ISO 14001:2015

4 5 6 7

suststeel®

MEMBER SUPPLY CHAIN SUSTAINABILITY SCHOOL

CERTIFIED ISO 9001:2015 COMPANY

CERTIFIED ISO 45001:2018 COMPANY

PRODUCTION

1 PRIMARY RAW MATERIALS

The primary raw material used in the production of our steel is ferrous scrap metal which contributes in excess of 98% of the constituent raw materials by mass and volume.

2 SECONDARY RAW MATERIALS

Other consumables include the mineral additions of ferro-alloys, coke and lime, which are added to control the chemistry and remove impurities from the molten steel.

3 ENERGY

The use of energy in the form of electricity, natural gas and carbon additions is significant and is central to the process of recycling steel.

4 BY-PRODUCTS

By-products formed during the melting process include lime slag which is utilised as a secondary aggregate, dust utilised for zinc extraction and mill scale which is used in the manufacture of ferro-alloys and cement.

5 WASTE

Periodically we have to drain the process water either to the sewer system or to controlled waters, which we always try to keep to a minimum.

6 EMISSIONS

Emissions of CO_2 are significant due to the combustion of carbon bearing sources such as natural gas, coke and carbon. Also, the consumption of natural gas in our processes results in the release of SOx, NOx and CO.

7 EMISSIONS TO WATER

The water used in our cooling systems undergoes chemical treatment to prevent corrosion, the formation of legionella and to remove sludge. Stringent limits are placed on the quality of the water released from our systems and regular monitoring enables us to meet these requirements.

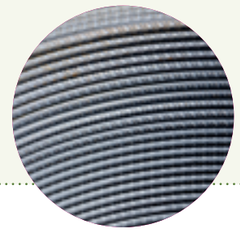
8 FINISHED PRODUCTS

We produce a range of steel products predominantly for the construction sector, but also with various other applications.

9 TRANSPORTATION

Our raw materials and our finished products require transport either by road, rail or sea. We are constantly working on ways to minimise the impact of transport by using rail wherever possible.

Equal and unequal angles
Typically used as a structural steel element in construction.



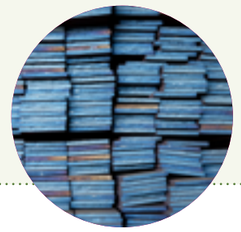
High yield coils
For the reinforcement of concrete (Grade 500C).

Plain round bars
With various applications including construction.

Reinforcing bars
For the reinforcement of concrete (Grade 500C).

Wire rod
For the production of reinforcing mesh and other applications including wire drawing.

Channels, parallel, tapered flange and UPN
Typically used in composite steel construction.



Flat bars
With various applications including construction, transport and machinery.

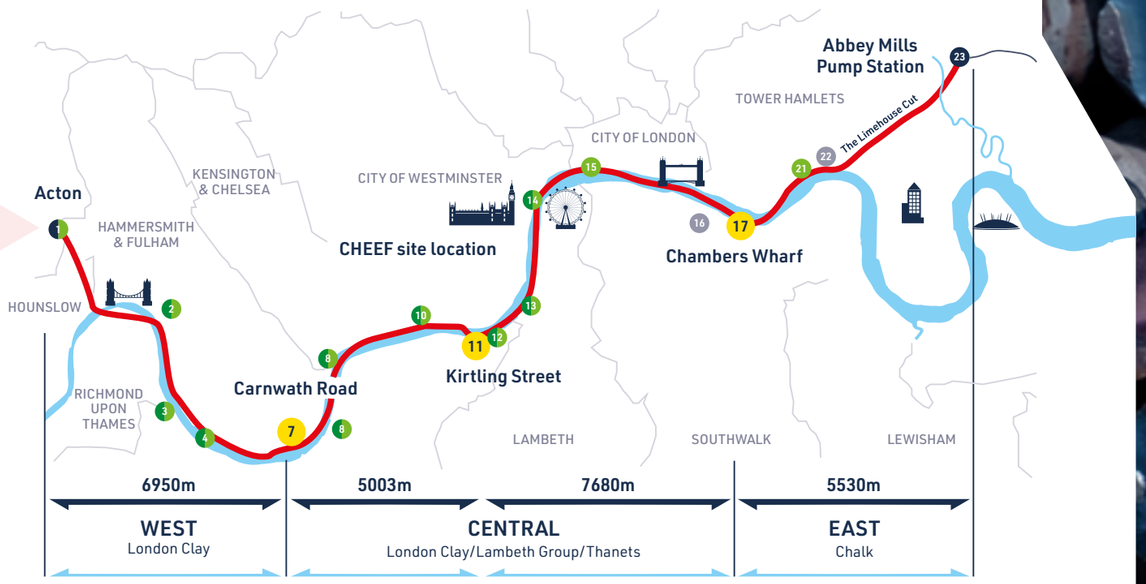
CASE STUDY

CELSA STEEL UK
THAMES TIDEWAY CENTRAL SECTION

CELSA Steel UK is a key supplier to the Thames Tideway Tunnel, the largest infrastructure project ever undertaken by the UK water industry. This £745m project is essential in helping to tackle overflows from London's Victorian sewers into the Thames for at least the next 100 years.

We have been working alongside their downstream businesses to supply over 14,000 tonnes of reinforcing steel to this historic project. As a result, all of the reinforcing material supplied will be 100% UK sourced and will have a 98% recycled content. Due to the proximity of the project site to our mill in Cardiff, we are strategically placed to help minimize the overall carbon emissions associated with this project, as all of the reinforcing steel supplied will travel less than 200 miles from mill to construction site.

The Thames Tideway Central Station project will create over 4,000 sustainable jobs and another 5,000 indirectly. It will also offer hundreds of local apprenticeships and work placements, leaving a lasting legacy in the heart of London.



The Thames Tideway Central Station project

THE NEW SEWER TUNNEL WILL BE OVER 12.7KM LONG AND WILL HELP **REDUCE SEWAGE-RELATED WASTE BY 90%.**

INNOVATION

CELSA Steel UK is committed to innovation. Continual improvement of its processes and operations while minimising environmental impacts are the key to remaining competitive into the future, moving towards producing carbon net-zero steel and supporting quality employment opportunities in the UK.

Our innovation team has piloted projects in a number of exciting areas of development during 2021, from investigating optimising of power management for the EAF, ongoing engagement with the South Wales Industrial Cluster (SWIC) and trialling partnership projects with the aim of showing the potential for Circular Economy (CE) principles to improve social, economic and environmental outcomes.

CIRCULAR ECONOMY

The concept of the Circular Economy is to keep materials in use for as long as possible through design, recycling, recovery and repurposing. An ideal Circular Economy would result in zero waste going to landfill.

FOR FURTHER INFORMATION:

ELLEN MACARTHUR FOUNDATION

The Ellen Macarthur Foundation:
Click here

Llywodraeth Cymru
Welsh Government

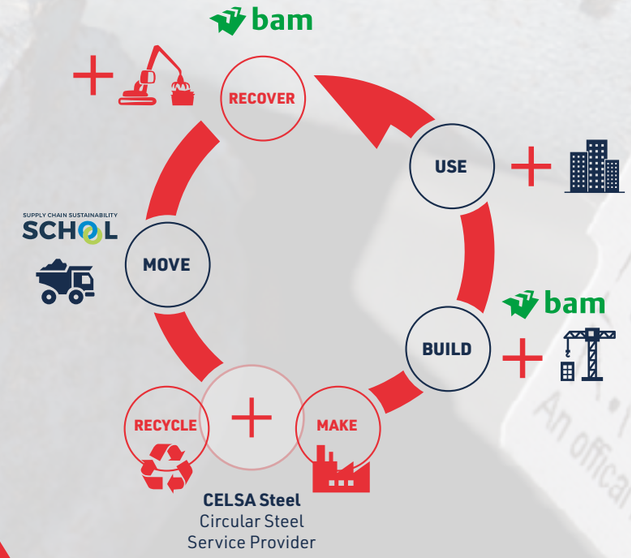
The Welsh Government – CE Policy document:
Click here

CASE STUDY

CELSA STEEL UK
PLAZA CINEMA, PORT TALBOT CIRCULAR ECONOMY PILOT

In early 2021, 14 tonnes of CELSA steel was delivered to the site of Plaza Cinema, Port Talbot as part of an ongoing Circular Economy pilot project, working collaboratively with BAM Construction.

The refurbishment of the Grade II building has seen 24.9 tonnes of steel roof trusses removed and delivered to CELSA UK, then recycled into the process that produced the reinforcing steel now being used to restore and redevelop an architecturally and culturally significant site while delivering significant reductions in the carbon intensity of building materials used.



PERMITS

Given the nature of the manufacturing processes, each of our operations on site is permitted under the UK Environmental Permitting Regime, regulated by Natural Resources Wales. CELSA monitors its compliance against the emission limit values and discharge consents in accordance with each of the permit requirements. CELSA recognises that its business has an environmental footprint which needs to be carefully managed in order to reduce its impact on the environment.

CELSA holds the following permits/authorisations:

MELT SHOP AND MINERAL SITE:

- Environmental Permit (EPR/TP3639BH)
- Trade Effluent Discharge Consent (TE147G)
- Licence to Abstract Water (21/57/25/78)

ROD AND BAR MILL:

- Environmental Permit (EPR/BV0759IC)
- Licence to Abstract Water (21/57/25/0048)

SECTIONS MILL:

- Environmental Permit (BV0767IT)
- Trade Effluent Discharge Consent (TE147F)

Environmental data relating to CELSA's Environmental Permits is reported to Natural Resources Wales. Information can be found from the Natural Resources Wales website at www.naturalresourceswales.gov.uk.

GHG Emissions and Legal Compliance

CELSA are required under the UK Emissions Trading Scheme (UK ETS) to publish annual greenhouse gas emissions, following verification from a certified body. The UK ETS works on the 'cap and trade' principle- overall greenhouse gases that can be emitted are reduced each year and individual operators are allocated fewer credits each year. As credits in excess of annual allowances must be purchased on the secondary market, energy-intensive industries in the UK, including CELSA, are incentivised to decarbonise their operations.

CELSA holds three Greenhouse Gas Permits:

- Melt Shop [UK-W-IN-11838]
- Sections Mill [UK-W-IN-12612]
- Rod and Bar Mill [UK-W-IN-12611]

ENVIRONMENTAL OBJECTIVES AND TARGETS

CELSA is committed to setting ambitious targets to continuously improve our environmental performance. Objectives and targets are set on an annual basis to ensure sustained improvement in our operations.

CELSA continues to make progress in all its target areas, and drive effort in all units towards our goal of producing net zero carbon steel by 2030.

Melt Shop	Consume no greater than 457kWh/t of Electricity (EAF & LF).
	Consume no greater than 17.3 t of General Waste (per month).
	Consume no greater than 0.54 m3/t of Water per month.
	Consume no greater than 1.19 Kg/t of Electrodes per month

Melt Shop	Target / month	2020 Actual
Electricity	457 kwh/t	468
General waste	17.3 t	20
Water	0.54 m3/t	0.68

Sections Mill	Reduction of gas consumption by 5% on 2019 (kWh/tonne). 2020 Target - 420.9 kWh/t
	Consume no greater than 86.8 kWh/tonne of electricity per month
	Reduction of Oil Consumption (litres/tonne). Target 0.58 l/tonne per month
	Produce no greater than 5.7 tonnes/month of general waste
	Consume no greater than 0.2 m3/tonne of water per month.

Sections Mill	Target / month	Actual
Gas	420.9 kwh/t	469
Electricity	86.8 kwh/t	92
Oil	0.58 litres/t	1
General waste	5.7 t	5
Water	0.2 m3/t	0.36

Rod and Bar Mill	Consume no greater than 101.84 kWh/tonne of Electricity per month
	Consume no greater than 326.5 kWh/tonne of Gas per month
	Consume no more than 0.25 l/tonne of Oil per month
	Reduce Haz Waste production to 5.25 tonnes/month
	Consume no greater than 0.19 m3/tonne of Water per month.
	Consume no greater than 10 tonnes of General Waste per month.

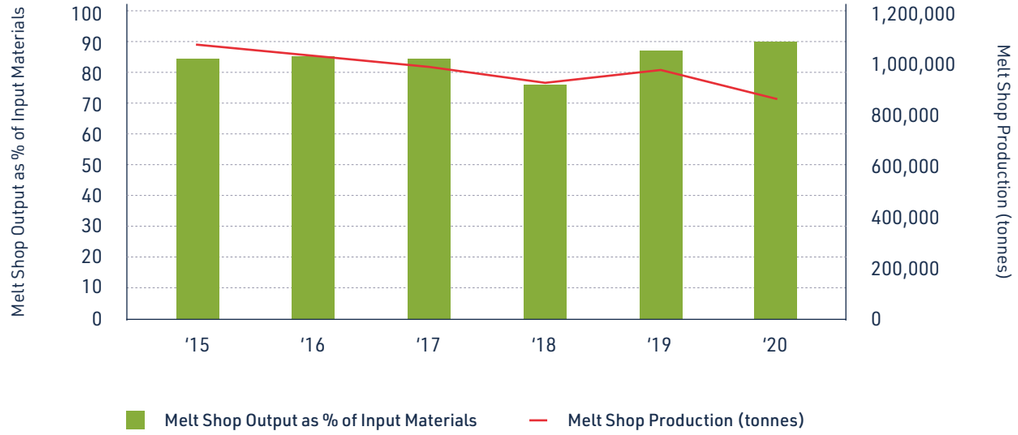
Rod and Bar Mill	Target / month	Actual
Electricity	103 kwh/t	107
Gas	348.7 kwh/t	375.94
Oil	0.25 litres/t	0.3
Hazardous Waste	5.25 t	4
Water	0.19 m3/t	0.1

ENVIRONMENTAL KPIs

RAW MATERIALS EFFICIENCY

CELSA's manufacturing operation is effectively a metal recycling process. The principal feedstock is steel scrap which is consumed in the process to make new steel, but there is a need to provide certain additives to achieve the right quality of new steel. The process is over 90% efficient with the only wastes being furnace flue dust, slag and millscale, each of which are materials that have other beneficial uses.

Melt Shop Materials Efficiency

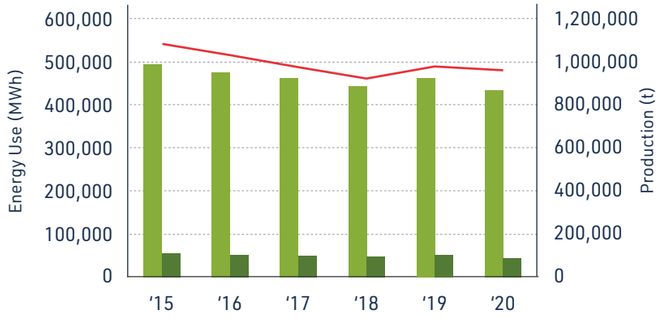


ENERGY USE

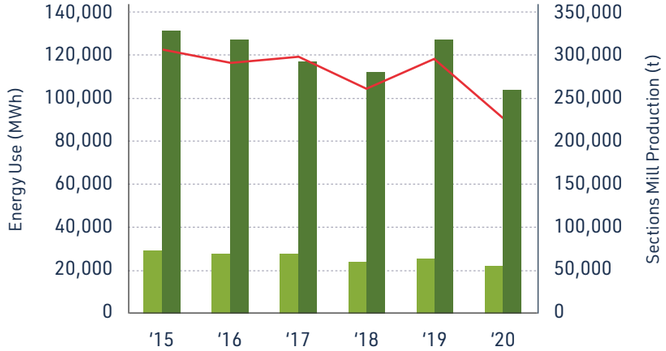
A proportion of the energy CELSA uses to manufacture its products comes from natural gas. CELSA continues to support initiatives that seek to solve this issue by replacing natural gas use across heavy industry. As part of CELSA's participation in the South Wales Industrial Cluster Roadmap initiative, supplying hydrogen gas as an alternative to natural gas is being explored for the future. For the remaining electricity that we use, it is not only good sense for business, but also for the environment to use it as efficiently as possible. CELSA aspires towards 100% renewable energy on our site, as we continue to develop towards a greener future for the steel industry.

CELSA STRIVE TOWARDS 100% RENEWABLY SOURCED ELECTRICITY

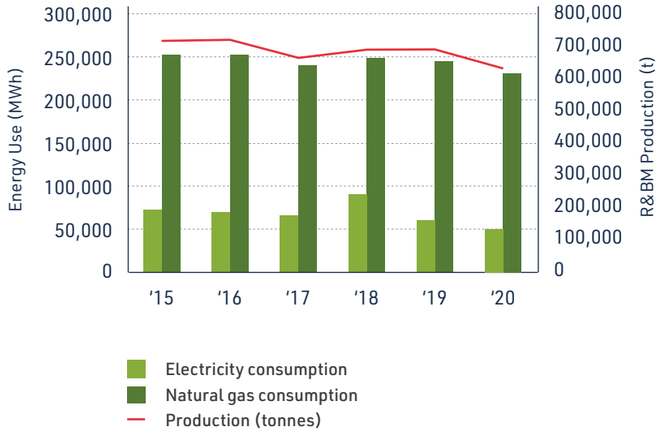
Melt Shop Energy Consumption



Section Mill Energy Consumption



Rod and Bar Mill Energy Consumption



CO_2 AND PRODUCTION

CELSA have committed to becoming a Net Zero Carbon steel recycler by 2030. Earlier this year we released our Pathway to Net Zero by 2030, available at www.celsauk.com. We will be publicly disclosing our Scope 1 and 2 emissions in line with UK Emissions Trading Scheme data as part of this pathway and are currently working on mapping our Scope 3 emissions, intending to start reporting on them annually by 2023.

SCOPE 1 EMISSIONS

Decarbonising the steel industry is a great challenge, as the process of manufacturing steel products is energy-intensive. Carbon is released in the form of CO_2 when fossil fuels are burned. At CELSA, like all steel producers in the UK, we are dependent on burning natural gas in our furnaces to heat and melt steel. This is very carbon-intensive, and currently, the only alternative to using natural gas is hydrogen. This isn't yet commercially viable for manufacturers as the infrastructure needed to ensure supply has not been adequately developed.. In time, as demand increases, and the capacity for the gas network to support large quantities of hydrogen gas develops, we will look to phase out the use of natural gas to minimise our carbon emissions. As the emissions from burning natural gas are released from our sites, natural gas usage is classified in our Scope 1 emissions.

SCOPE 2 EMISSIONS

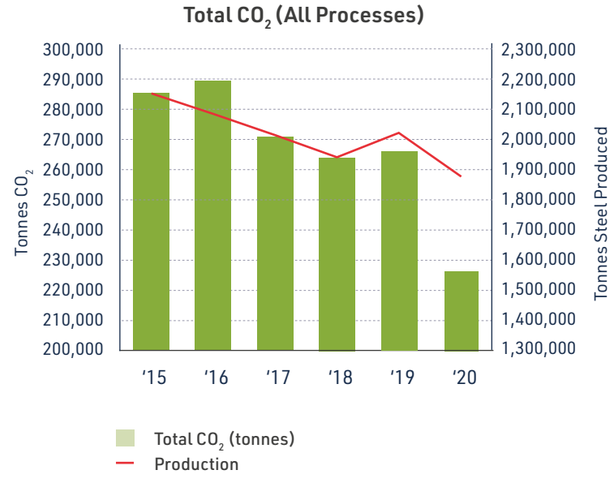
EAF production uses a large amount of electricity. This is currently carbon-intensive, given the existing UK energy mix from the grid. Although a lot of energy is used in the form of electricity, EAF production is still much more environmentally friendly than traditional blast furnace production, which uses a significantly higher amount of natural gas and raw mined materials. The good news is that the carbon intensity of the UK National Grid is in rapid decline and, in addition, we are looking into ways in which we can source our electricity from renewable resources. As the carbon emissions associated with electricity use are released in the power plants further up the supply chain, and not from our site, electricity usage is classified in our Scope 2 emissions.

SCOPE 3 EMISSIONS

Scope 3 emissions cover all associated upstream and downstream carbon emissions that the company does not directly control. This can cover areas such as freight transport of products to a warehouse or customer, or the associated emissions generated in the manufacture of a raw material used in a manufacturing process. For most companies, their Scope 3 emissions make up the majority of their carbon footprint. However, CELSA recognises that our Scope 3 emissions are minimal compared to our Scope 1 and 2 emissions. In fact, it is our Scope 1 and 2 emissions that are making up a large part of our customers' Scope 3 footprints. Because of this, we have decided that it will be most beneficial to concentrate on primarily reducing our Scope 1 and 2 emissions, with the focus to map our Scope 3 emissions by 2023, and report on them annually.

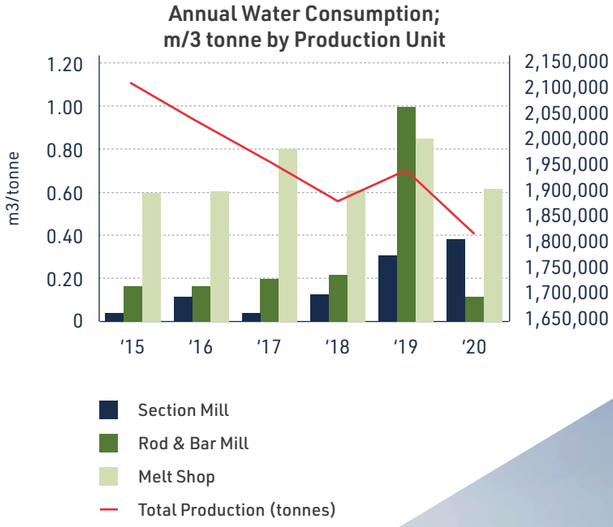
EMISSIONS TO AIR

CELSA recognises that its processes have the potential for significant releases of atmospheric emissions, and it is an aspect of the business that is monitored and controlled very carefully. Potentially significant emissions are regulated by each of the Environmental Permits. Our emissions are measured and monitored to ensure they do not exceed the maximum permitted emission limit values. Permit values are determined in accordance with prevailing legislation. The Environmental Permits were granted and are rigorously enforced by Natural Resources Wales.



WATER USAGE AND QUALITY

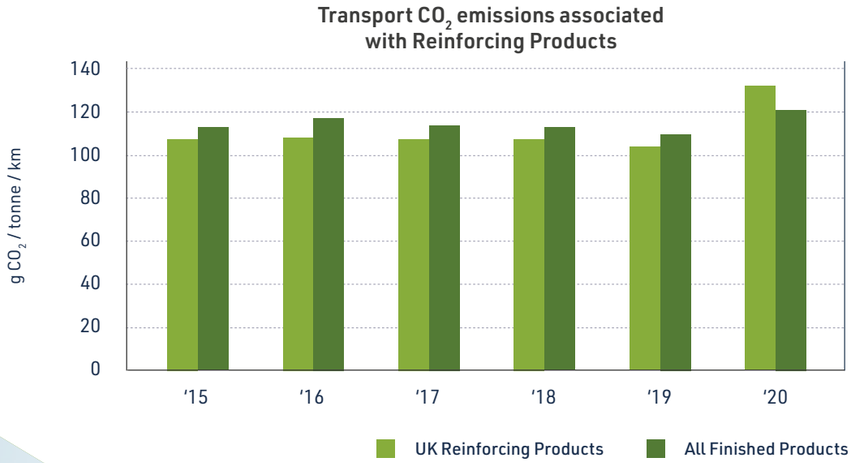
CELSA recognises that water is an important resource and the manner in which it is consumed and treated can impact directly on the natural environment. CELSA takes its responsibility regarding water management very seriously, ensuring that the use and consumption of water is controlled and where possible, minimised. Water used on the plants for cooling purposes requires treatment in order to prevent legionella. It is necessary to treat the water we use with biocides, as well as corrosion inhibitors and flocculants to aid in the removal of solids from the water. Stringent limits are set in the Environmental Permits and/or Consents to Discharge on the quality of the water that we can release from the systems. In order to meet these requirements we undertake regular monitoring of the effluent streams.

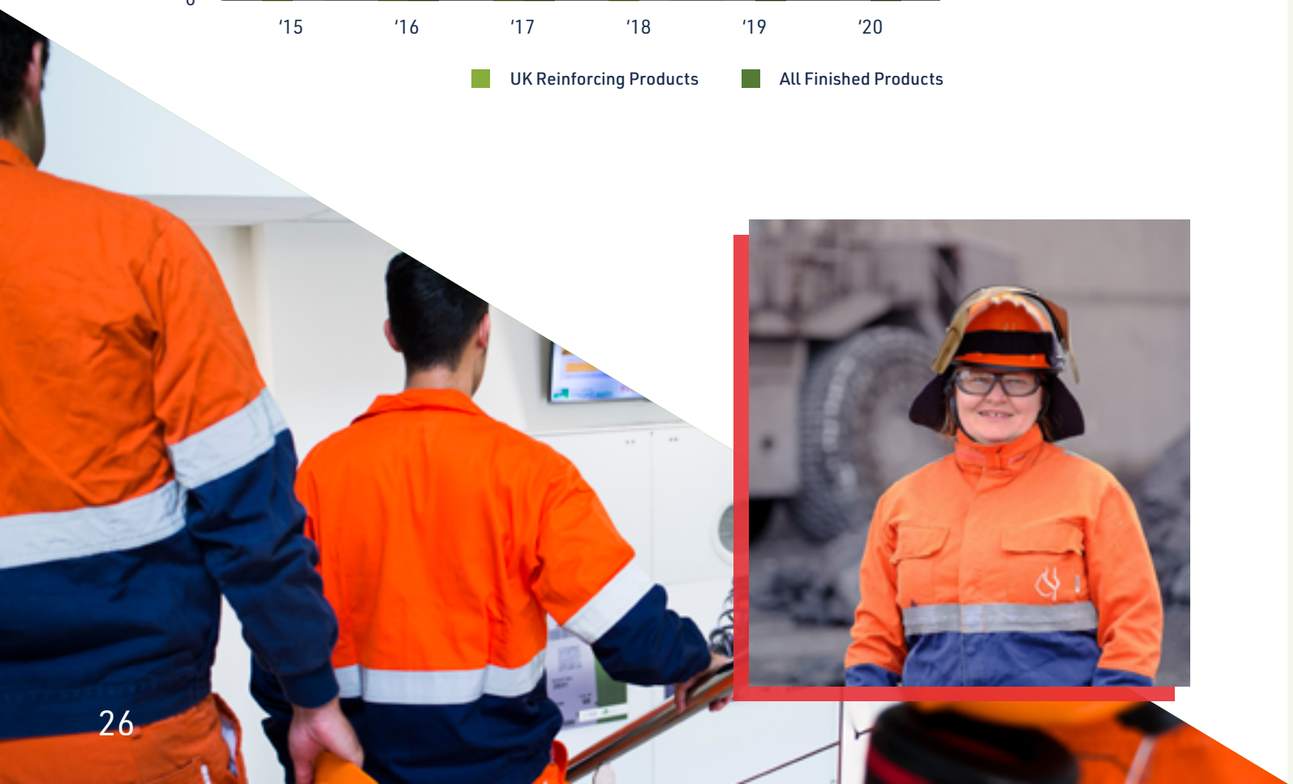


LOGISTICS

CELSA is committed to incorporating sustainability into all of its manufacturing and business activities and recognises the need to balance the requirements of environmental, social and economic obligations with business growth aspirations. Transportation and logistics is a key area where CELSA seeks to continuously improve and adopt more sustainable transportation options. CELSA utilises a range of transport methodologies including road, sea and rail, depending on the geographical location of its customers and transport network availability.

Where possible more sustainable methods of transport such as rail and sea are adopted as the preferred method of moving our raw materials and finished products. As part of the BES6001 and Eco-Reinforcement Standard requirements, CELSA calculates the transport mileage and CO_2 emissions by mode of transport for both its raw materials and finished reinforcing product deliveries.





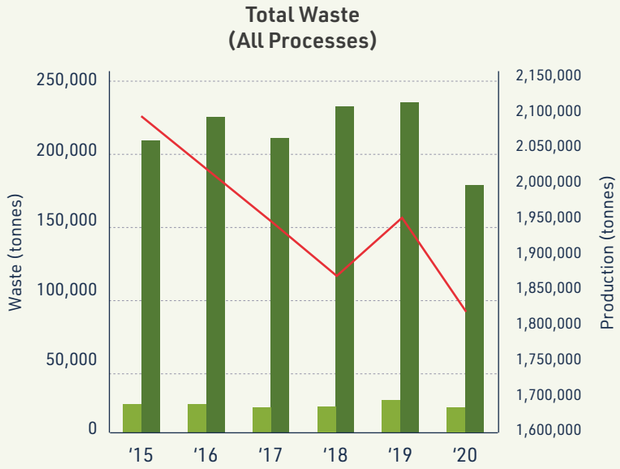
WASTE MANAGEMENT

CELSA's manufacturing process is zero production waste to landfill. We recycle or recover over 93% of our waste, however, we do end up sending a small amount to landfill as a result of our sourcing 100% of our metal materials from recycled scrap. We continue to persevere to improve the quality of the material in our supply chains, and leading steel industry waste production to reduce this number even further. We also employ the best available techniques in order to minimise the amount we send to landfill, and increase the efficiency of our manufacturing process.

CELSA operates a circular economy manufacturing model. As a result of our steel production, the only thing which is sent to landfill is fragments of contaminants in the scrap, after they have passed through the Electric Arc Furnace (EAF). This is because **we manufacture 100% of our steel products from recovered scrap metal** instead of using mined ore like other steel manufacturers. CELSA has plans to refine this in future by increasing the quality of the scrap we source, and further refine the metal recovery process.

All the other materials we produce as by-products from our manufacturing process are sold on for use in other sectors of the manufacturing industry.
The dust from our EAF is sold on to be used in things like the manufacturing of white plastics, where it prevents the use of raw materials for this purpose. We also market our slag by-products for use in road construction, and have an operational Asphalt Plant on site to ensure these products are of high quality.

Our by-products are generated from the processing of scrap metal. There is a targeted reduction programme to improve resource efficiency by ensuring all waste generated is recovered or reused, where practical.



ALL WASTES ARE APPROPRIATELY SEGREGATED; CURRENTLY **CELSA RECOVER OR REUSE 93% OF WASTE GENERATED ON SITE.**

BIODIVERSITY

In 2021, we renewed our ongoing Gold Membership with the Wildlife Trust of South and West Wales (WTSWW). It is important to help conserve local wildlife, and ensure that biodiversity is thriving throughout South Wales.

Although our site is heavily industrialised, and has been for many years, it is hoped that by funding the local Wildlife Trust, CELSA can make a positive impact on the biodiversity of South Wales.

WTSWW visited our Cardiff site in 2019 and produced a biodiversity report. The recommendations made in this report have been used to create a Biodiversity Action Plan which has already led to CELSA securing funding from Cardiff Council for a tree planting project at our site in Cardiff Bay.

Photo taken by Roy Gale, winner of the CELSA UK Nature Photography Competition 2021

COMMUNITY AND STAKEHOLDER ENGAGEMENT

We also managed to collect a whopping 214 Easter eggs in 2021 over the space of two weeks, for local charity Action for Children Cardiff. These were distributed to children across Cardiff who were unlikely to be receiving an Easter egg.

Showing great festive spirit, CELSA employees raised £539.09 for Cardiff Foodbank in the lead up to Christmas.

Cardiff Foodbank are a branch of the Trussell Trust, they rely on donations so they can continue their important work providing emergency food to those in need.

GREEN SQUIRREL

We continue to be in conversation with local grassroots charity Green Squirrel. They are creating a community hub just down the road from us on disused land. This space will be a wonderful addition to the local community, and would be a great space for meetings, classes and community gatherings.

Canolfan Ganser Felindre Velindre Cancer Centre

Each year CELSA employees nominate a Charity of the Year. For 2021, Velindre Cancer Care was chosen. Velindre is a charity close to the hearts of many employees, and it is just down the road from us in Cardiff.

'As the premier Cancer Centre in Wales, Velindre is well known for providing high quality radiotherapy and chemotherapy treatments, care and support to cancer patients. However, each year Velindre also spends over a million pounds on funding ground breaking research programmes into many areas of cancer.'

SCHOOL COMMUNITY ENGAGEMENT

Investing in the local community is an important part of what we do at CELSA. This year we have attended a careers event at a local secondary school promoting STEM careers, and which skills are required for the job.

We are active participants in The Cardiff Commitment, supporting young people into STEM-related work, and have forged long lasting links with local primary and secondary schools by facilitating job fairs and mock interviews with young people.

We have even undertaken speed-dating style meetings with potential apprentices. Some of our members of staff, having completed CELSA apprenticeships, have returned to their primary and secondary schools to discuss their journeys.

INVESTORS IN PEOPLE®
We invest in apprentices Gold

We are immensely proud of this accreditation, but more importantly of our apprentices and mentors whose passion and commitment to coaching and learning, that is what makes a CELSA apprenticeship.

"Bringing new talent into our industry is part of our sustainable future and knowledge transfer and acquisition is part of the constant development of all employees. We have ambitious plans to expand our apprentice enrolment to traineeships and graduates, not only in terms of numbers but also diversity. We are currently working with key stakeholders to deliver an apprentice hub for Cardiff based manufacturing careers for many years to come."

Luis Sanz, CEO of CELSA UK

14 new CELSA apprentices attending induction training

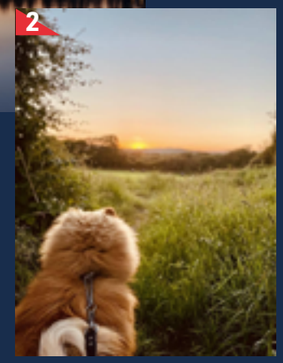
We'd like to congratulate CELSA Steel UK. Being accredited with We invest in apprentices is a remarkable effort for any organisation, and places CELSA Steel UK in fine company with a host of organisations that understand the value of delivering high quality apprenticeships.

Paul Devoy, CEO of Investors in People

EMPLOYEE ENGAGEMENT

CELSA CYCLE TO WORK SCHEME

We have relaunched our Cycle to Work Scheme in 2021 and received a huge amount of interest from CELSA employees. We hope to encourage active lifestyles, which in turn will benefit wellness. With more people travelling to work via bike, there will be fewer cars on the road, leading to environmental benefits for CELSA and the local community.



NATURE PHOTOGRAPHY COMPETITION

A great way we engaged our employees this summer was through a nature photography competition. Encouraging everyone to get outside and taking photos of their surroundings was also beneficial for general wellbeing.

WINNER - Garden in Newport by Royston Gale. (See page 28)

1. *RUNNER UP - Roath Park by Laura Milburn*
2. *RUNNER UP - Thornton Le Moor, Yorkshire by Richard Haines*

MINI M WELLBEING PROJECT

Throughout 2021 a Wellbeing project was set up and run by a team of employees. The aim was to improve general wellbeing throughout Celsa Manufacturing UK. Over the course of several campaigns useful information, tips, and resources were shared with staff through the use of social media and email communications. Topics discussed were ranging from mental health to musculoskeletal disorders. Engaging employees, reducing stigma, and improving wellness were some of the key aims. A Health and Wellbeing policy was also implemented to ensure the hard work of the Wellbeing project was carried on into the future.

CELSA STAFF PROFILES

HANNAH POWELL

Environmental Manager

I joined CELSA UK in 2021 as the Environmental Manager for the recycling sites in the UK. As a Chartered Environmental professional I ensure we comply with our legal commitments while striving for higher performance and building a sustainable operation.

I graduated from Cardiff University with a BSc in Geology, which gave me a wider appreciation for the natural world and the impact humans have on it.

I have worked in various industries oil, gas, water and steel and bring this experience and knowledge to CELSA to continue to drive our sustainability. As a STEM Ambassador, I am able to engage with the local community and share my passion for the environment.

One of my key goals this year is to deliver CELSA Steel UK's Pathway to Net Zero 2030.

DR ISABEL VAZQUEZ DIAZ

Health and Safety Manager

I have been the CELSA Manufacturing UK Health & Safety Manager since 2018. Prior to that, I worked eight years in Tata Steel undertaking different roles, mainly focused on Process Safety. Although my career has followed the Health and Safety path in the last years, I have a great interest on the Environment. After doing a 5 years degree in Chemical Engineering, I did a PhD in Environmental Engineering, and worked in a few research Environmental projects looking for practical ways to produce cleaner fuels from what at the time was deemed as 'waste products'.

My role as Health and Safety manager is connected to the Environment in many ways. There are strong links between Occupational Health and the Environment, such as exposure to chemicals or environmental biological agents. Additionally, dust emissions are also greatly related to Process Safety and its consideration of Environmental impacts. A holistic approach to Health and Safety must include people's wellbeing, and this is definitely affected by the Environment we are in. In simple words, we all work together to protect the Environment.

EOIN BAILEY

UK Innovation Manager

I joined CELSA in 2018 and my role involves developing the culture of innovation within the organisation, implementation of new ideas and facilitating the transition towards a truly circular economy.

My previous 20 years industry design, engineering and innovation leadership experience has been in the automotive and aerospace sectors. I have a passion for sustainable business development and I take a strategic approach to design and implementation of restorative business practice and disruptive innovation.

I believe that: thinking in systems and giving full lifecycle consideration to any development allows organisations to maximise the efficiency and effectiveness of their business activities, while optimizing the value of their resources, infrastructure and supply chains. This practice helps to develop a strategy that future-proofs business towards sustainable prosperity, presenting new opportunities that reduce costs, eliminate impacts and mitigates risks, while developing a clear and positive narrative for the business brand.

I hold a Masters Degree in Product Design and Innovation and in addition to my work in industry have provided Consultant Advisory services to the Welsh and UK Governments specializing in EcoDesign, Innovation and the Circular Economy, supporting industry, policy development and academia.

HANNAH MAYLED

Environmental Advisor

I joined CELSA's Environmental Department in 2020 after completing an MSc in Environmental Management. Through my postgraduate study, I realised that the best way to effect positive change when it came to the environment, was to work with large companies in sectors that have the biggest impact. Working for CELSA has provided ample opportunity to change people's views on the importance of managing our climate impact as a company, and helping to put in place internal policies that will minimise it.

Over the past year and a half, I have learned a lot about how to communicate effectively to people in different job roles about the environment. This has proven valuable in supporting the Environmental Department in reaching its goals. Throughout my time here I have also developed skills in compliance reporting and building relationships with key stakeholders.

While the steel industry presents a unique challenge for sustainability, due to the sheer scale and nature of its operations, it has been enjoyable working on different projects over the past two years, especially in developing our Pathway to Net Zero by 2030. It is rewarding to work in such a demanding role at a pivotal point in environmental history. I look forward to continuing to support the company on new, and innovative projects into the future, continuing to lead the way on sustainable EAF steel production in the UK.

MARTIN JAMES

Quality Engineer & Environmental Coordinator – Melt Shop

I have a BSc in Materials & Metallurgy and I am a qualified Lead Auditor in environmental & quality systems.

While my primary role is as a Quality Engineer, I have also been the Environmental Coordinator at the melt shop for over 10 years. This role includes helping set environmental targets & objectives, performing monthly environmental audits and implementing appropriate actions where needed. I contribute to the Melt Shop's environmental performance through monitoring of waste streams and arranging appropriate disposal of hazardous waste with the aim of minimising or eliminating negative impacts on the environment.

KIERAN SANDOM

Environmental Advisor

As a recent addition to the Environmental Team I am excited to get to grips with the challenges and opportunities involved in working towards the 2030 Net Zero Pathway Project, with contributing towards managing CELSA's environmental compliance, and building relationships across the business units in order to ensure effective communication of the importance, relevance and business benefits of implementing environmental best practice.

Previously, I completed an MSc in Sustainability & Environmental Policy and have worked in local government waste management, EMS auditing & certification and teaching postgraduate sustainability & environmental management courses. I am an IEMA registered Associate Environmental Auditor and I am in the process of applying for Practitioner membership with CELSA's support.

CELSA RECOGNISES THEIR **EMPLOYEES** ARE THEIR **NO. 1 ASSET.**

6th December 2021

Ref. DCL1152L2

CELSA – 2021 Sustainability Statement.

Diagenesis Consulting Ltd (DCL) has been commissioned by CELSA to complete an independent review and verification of defined sustainability information for the data presented in their Sustainability Statement 2021 entitled “UK Leaders in Steel Recycling”.

DCL would consider that in their 2021 Sustainability Statement CELSA continues to demonstrate its commitment to its sustainability goals. The company maintains their commitment to detailed and reliable data collection and provides transparency with regards monitoring their performance against targets.

The review of the final version of the 2021 Sustainability Statement and the data presented therein identified no evidence of errors or anomalies. Data review and discussions with the Environmental Team indicate that data processes and systems in place appear to be comprehensive, robust and as a result create the transparency in reporting required in the appropriate sections of the responsible sourcing standards.

Signed on behalf of Diagenesis Consulting Ltd by,

Date: 6th December 2021

David Richardson

Director.

celsa manufacturing UK

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All references to CELSA, CELSA UK and CELSA Steel UK
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