

Ureco's six core focus areas are described here:

<https://ureco.com/sustainability>

In 2017, Ureco transitioned to the GRI Standards, one of the leading sustainability reporting frameworks worldwide, having previously reported to the GRI G4 Guidelines. This year's Sustainability Report is prepared in accordance with the GRI Standards: Core Option. For more information on our alignment with the GRI Standards, please see the 'About this report' section on page 30.

### Materiality

The main focus of the GRI Standards is 'materiality', which means those topics that are most relevant to our stakeholders and have the biggest impact on our operations.

Please see:

<https://ureco.com/sustainability/material-areas>

for an overview of Ureco's key material areas.

### Principal risks and uncertainties

More information on our principal risks and our Risk Management Framework can be found in our 2018 Annual Report on pages 14–18.

## Focus Areas

### Materiality and Risk



#### Focus Area 1: Health and safety, safeguards and security



Urenco Nuclear Stewardship

#### Focus area highlights in 2018:

- Safety performance improved with no employee or contractor lost time injuries (LTIs) across all of our facilities
- First global safety stand down
- Organisation-wide survey on employee perception of safety
- Continuously support key international safeguarding bodies to further develop safeguards methods and techniques.

#### Health

The health of our employees and contractors is a priority to us and we have developed a range of measures to help keep our people fit and well. These include flexible working arrangements to minimise workplace stress, subsidised gym membership, cycle to work schemes and health checks at a number of sites. We also endorse sports activities, healthy eating and general health incentive schemes.

#### Safety (priority topic)

Safety is a priority and a core value for Urenco. Our Zero Harm programme drives our strong safety culture and we encourage employees to take responsibility for their personal safety at work and home. In 2018, globally our safety performance improved. We had no employee or contractor work-related lost time injuries (LTIs). This was a significant achievement.

We reported an increase in injuries requiring medical treatment (MTI) and as a result, in 2018 Urenco held its first global safety stand down to ensure that safety remains at the forefront of everyone's mind.

All employees and contractors were encouraged to take time out of their working day to discuss the importance of safety and how we can collectively ensure every person leaves work in the same healthy condition as they arrived.

The safety stand down was a powerful way of refocusing our attention on safety.

Additionally, in 2018, we conducted an organisation-wide survey of our employees' and contractors' perception of safety. There was a record response rate of more than 96%. Overall, people believe that safety is prioritised across the organisation, that Urenco has strong safety values and that they are ingrained within the corporate culture. There was an increase in the number of people who believe that all injuries are preventable, compared to the 2017 survey.

Following the survey, site action plans were created to address areas of improvement, such as encouraging employees to participate in safety activities and recognising positive safety behaviours.

## Focus Areas

### Materiality and Risk

#### Management approach

Safety at Urenco is overseen by our Chief Operating Officer as well as the UUSA Managing Director in her capacity as Safety Sponsor and our Group Health and Safety Manager.

Health and safety meetings are held regularly throughout the year at each enrichment facility and our Health and Safety Working Group meets once a quarter to coordinate the delivery of key initiatives.

On a day-to-day basis, accountability is held locally. Each facility has a Compliance Manager supported by a Health and Safety (H&S) team, which in turn works with our Group Health and Safety Manager to share learnings across all areas of the business and where appropriate, adopt common operating practices.

As part of our commitment to continuous improvement, H&S issues and developments are reported at each meeting of the Sustainability Committee. The Urenco Board and Executive Committee evaluate our overall approach to safety performance across all areas of the business.

#### Radiological safety

The centrifugal process involves separating the lighter isotope of uranium,  $U_{235}$ , from the heavier isotope,  $U_{238}$ . Enriching uranium does not involve changing its chemical characteristics and no additional radiation is created during the process. The operational risks associated with our facilities are more similar to those of a chemical facility than a nuclear facility. In the UK, Public Health England calculated that, on average, people are exposed to about 2.7 millisieverts (mSv) of radiation a year from naturally occurring sources in homes and workplaces and medical exposures, including X-rays<sup>9</sup>.

Many people who visit our sites for the first time are surprised at how low the levels of radiation involved in uranium enrichment actually are. Across all our facilities, radiation protection teams monitor and manage radiological safety to ensure that exposure levels are kept to an absolute minimum. For radiation dose rate, see page 33.

Urenco complies with all relevant industry and regulatory standards for radiological safety.

#### KPI: Safety

Total reportable injury rate

Target: **0.11**

Actual: **0.23**



The total reportable injury rate is based on the total number of LTIs and MTIs x hours worked (which equates to five million across the organisation). The number of hours worked varies year on year as it includes employee and contractor hours.

#### Governance, regulations, compliance and security (priority topic)

##### Governance

#### Management approach

Our policy on corporate governance is to follow principles of strong governance and transparent reporting while living Urenco's core values. We practise a system of full transparency where management reports regularly and comprehensively to the Board and provides extensive background information for all matters requiring Board approval.

All Board decisions are clearly recorded. The Board, together with external advisers as appropriate, consider in further detail issues of particular complexity through regular meetings of the Audit Committee, Sustainability Committee, Remuneration and Appointments Committee and, where required, special working groups. Our commitment to strong corporate governance ensures the Group has clear strategic direction and enables us to assess, control and manage risk effectively.

The 2018 UK Corporate Governance Code (the 'Code') sets out principles and provisions of good corporate governance and Code provisions which are applicable to all companies with a Premium Listing of equity shares in the UK. As a non-listed company, Urenco is not subject to the Code; however, we recognise the value of applying the principles of the Code where appropriate.

More information on corporate governance can be found on pages 30 – 31 of Urenco's 2018 Annual Report.

<sup>9</sup> <https://www.gov.uk/government/publications/ionising-radiation-dose-comparisons/ionising-radiation-dose-comparisons>

## Focus Areas

### Materiality and Risk

#### Safeguards

Our dedicated safeguards culture ensures that our work is carried out safely and within specific, internationally approved standards as governed by law. Enrichment technology is one of the most proliferation<sup>10</sup> sensitive areas in the nuclear fuel cycle and requires effective safeguards and physical protection regimes to ensure that the appropriate use of our technology remains in line with the treaties that govern us.

Beyond regulatory requirements, we continuously support key international safeguarding bodies, such as the IAEA, Euratom, European Safeguards Research and Development Association (ESARDA) and the Institute of Nuclear Materials Management (INMM) to further develop safeguards methods and techniques.

#### Management approach

Safeguards is overseen by our Chief Operating Officer, who keeps our Executive team fully informed of all activities in this area. At site level, our Safeguards Managers report to site Compliance Managers and the Global Process Owner for Safeguards. We have many years' experience in the development and implementation of safeguarding regimes at our facilities.

#### Security

The security of our people, sites and operations is paramount to protect our employees and contractors, physical assets, IT systems and infrastructure.

In 2018, following a personnel-related incident at one of our enrichment facilities, we reviewed our global security plan and placed an even greater focus on areas such as emergency response, personal and organisational security and physical security measures.

We launched a global security campaign to refocus our employees' attention on security behaviours by raising awareness of areas such as identity badges, clean desk policies, visitor procedures, IT equipment and business travel.

Additionally, we increased our focus on the threat posed by cyberattacks. For any organisation, cybercrime can lead to loss of sensitive data and commercial information, intellectual property infringement and reputational damage.

A cyber health check was carried out to identify the information security risk level at Urenco and the potential impact on business activities. In response, a multi-year programme is being devised to make comprehensive changes to culture, processes and technology in order to address security risks. These include improvements to information governance, organisational skills and capabilities, IT resilience and threat defence.

#### Management approach

Security is overseen by our Chief Operating Officer, who delegates the responsibility for classification and physical security to the Global Process Owner for Security & Classification in close cooperation with site security teams. Cyber security is the responsibility of the Chief Information Security Officer (CISO). She is supported by global IT and Security teams.

The majority of our European facilities are certified to ISO 27001<sup>11</sup>.

<sup>10</sup> Proliferation within the context of the nuclear industry, is the prevention of misappropriation of uranic material.

<sup>11</sup> ISO 27001 is the international standard that describes best practice for an information security management system.  
Source: <https://www.iso.org/isoiec-27001-information-security.html>



## Focus Areas

### Materiality and Risk



#### Focus area 2: Environmental impact



##### Focus area highlights in 2018:

- 88 additional solar panels have been fitted to office buildings at Urenco Nederland
- Urenco Deutschland has removed its policy of duplicating printed documentation and is set to save circa 100,000 A4 pages per year
- LED lighting projects rolled out at all of Urenco's facilities
- Urenco Nederland and Urenco Deutschland in discussions with local businesses to share energy initiatives within their local communities
- First internal sustainability seminar held with site environmental data champions from across the business
- CO<sub>2</sub>e emissions reduced by 14%
- Water consumption reduced by 3%
- Conventional waste reduced by 45%
- Commissioning commenced at our Tails Management Facility (TMF) in the UK and operations are planned to start in 2019.

##### Environmental impact (monitor topic)

We are committed to minimising our impact on the environment with initiatives covering energy efficiency, emissions, water usage and waste.

In 2018, Urenco held its first sustainability seminar bringing together sustainability champions from across its business to discuss approaches to achieving best practice in sustainability data.

We designed the internal seminar, to improve sustainability data collection processes in line with three themes of resilience, reliability and efficiency. It also recognised employees for their excellent contribution to the programme and provided them with a better understanding of why sustainability plays a strategic role in Urenco's future success.

Additionally, a number of energy savings initiatives took place across our organisation, from the implementation of energy efficient LED lighting and installation of solar panels to reducing paper usage.

We commenced a project to optimise our centrifuges to enable more efficient heat removal in the summer months, to save energy and costs. This will be trialled and will be reported on in future reports.

##### Management approach

In the area of energy efficiency and optimisation, we have an organisation-wide Energy Savings Group that drives action, accountability and engagement. The group convenes meetings to share learnings and propose initiatives to minimise energy usage and save costs.

Our site data champions monitor energy and water usage to help minimise our environmental impact and ensure we are fully compliant with environmental legislation. Any peaks in usage are analysed and a root cause is established to ensure the management approach remains effective.

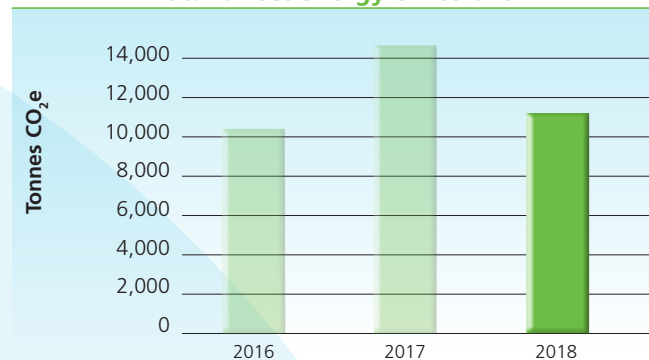
## Focus Areas

### Materiality and Risk

#### Emissions

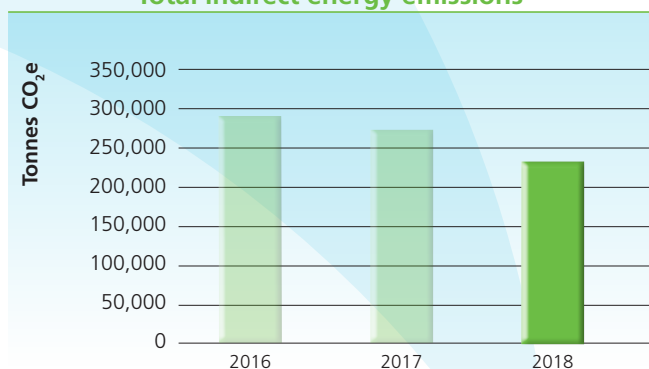
The emissions generated by nuclear energy are inherently low, particularly in terms of CO<sub>2</sub> emissions. According to the IEA's forecast in its Sustainable Development Scenario, power generation by 2040 will be all but decarbonised, with nuclear power accounting for 15%<sup>12</sup>.

#### Total direct energy emissions



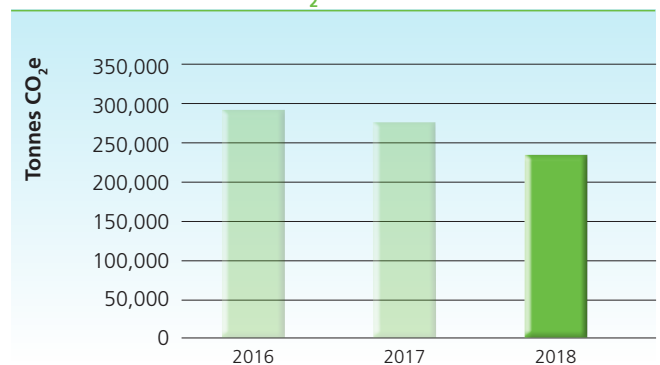
Direct energy emissions decreased due to lower refrigerant use at our UK facility.

#### Total indirect energy emissions



Indirect energy emissions decreased due to a reduction in CO<sub>2</sub>e conversion factors, as electricity is being produced with a lower carbon footprint in all four countries where we operate.

#### Total CO<sub>2</sub>e emissions



CO<sub>2</sub>e emissions includes our scope 1 (direct) and scope 2 (indirect) emissions in line with the GHG Protocol Corporate Standard.

#### KPI: Total inbound electricity consumption

Target: **Improvement vs 2017 (587.99 GWh)**

Actual: **589.04 GWh** 🟡

Increase of 0.2% vs 2017. This is due to the temporary deactivation of a centrifuge efficiency improvement at our German and US facilities and warmer weather conditions.

#### Environmental certification

All of our European enrichment facilities are certified to ISO 14001. In Germany, our facility is also EMAS<sup>13</sup> validated.

#### Water

Close to 90% of Urenco's water consumption comes from the cooling of centrifuges. It is therefore a standing item at each Energy Savings Group meeting to determine where savings in consumption and costs can be made.

In 2018, cooling water experts from across the organisation joined an Energy Savings Group meeting to discuss cooling tower optimisation and in which operational mode the cooling towers perform best when temperatures are below a certain point. Learnings from this discussion will be applied across the operational fleet.

#### KPI: Total inbound water consumption

Target: **Improvement vs 2017 (597.87 m<sup>3</sup>)**

Actual: **579.55 m<sup>3</sup>** 🟢

Optimised cooling tower operation at Urenco Nederland (a reduction in consumption by approximately 20,000 m<sup>3</sup>) and a decrease in site development works at UUSA drove the 3.1% reduction.

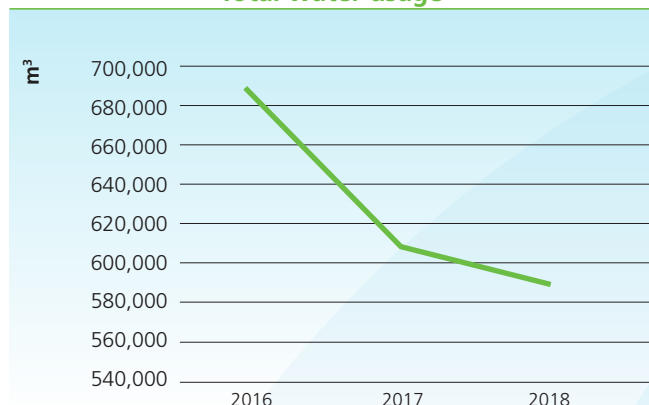
<sup>12</sup> Source: World Energy Outlook 2017, International Energy Agency, p.29, [http://www.iea.org/bookshop/750\\_World\\_Energy\\_Outlook\\_2017](http://www.iea.org/bookshop/750_World_Energy_Outlook_2017)

<sup>13</sup> The EU Eco-Management and Audit Scheme (EMAS) is a premium management instrument developed by the European Commission for companies and other organisations to evaluate, report, and improve their environmental performance.

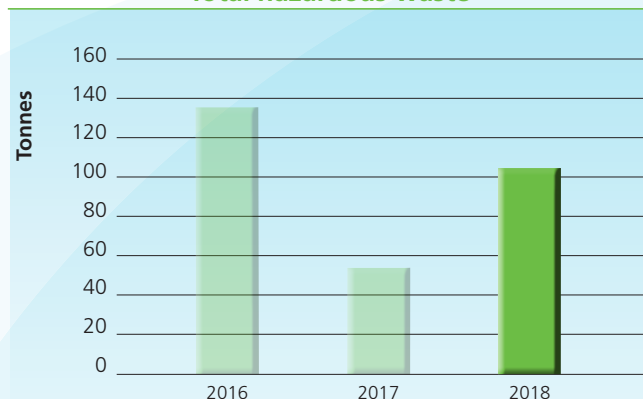
## Focus Areas

### Materiality and Risk

Total water usage



Total hazardous waste



## Waste

### Management approach

Waste is a material area for our business due to project and regular maintenance works taking place at our facilities. This leads to the production of non-hazardous/hazardous waste, a high proportion of which is recycled or reused.

Waste is monitored as part of our non-financial KPIs and is reported regularly to the Sustainability Committee, ensuring we minimise our environmental impact and comply fully with environmental legislation.

We remain committed to responsible uranium stewardship, and we have subsidiaries dedicated to overseeing our work in this field. These include Urenco ChemPlants, which is responsible for the construction and operation of the TMF in the UK; and Urenco Nuclear Stewardship which manages, decommissions and recycles nuclear waste.

### KPI: Waste

Radioactive waste for disposal generated from operating plants

Target: **Improvement vs 2017: 549.01 m³**

Actual: **567.19 m³** 🟡

The total amount of radioactive waste (m³) was 3% higher in 2018 vs 2017 due to our UK facility processing and disposing of some legacy waste from the site. From 2019, Urenco Nuclear Stewardship will assume responsibility for nuclear waste from our UK operations.

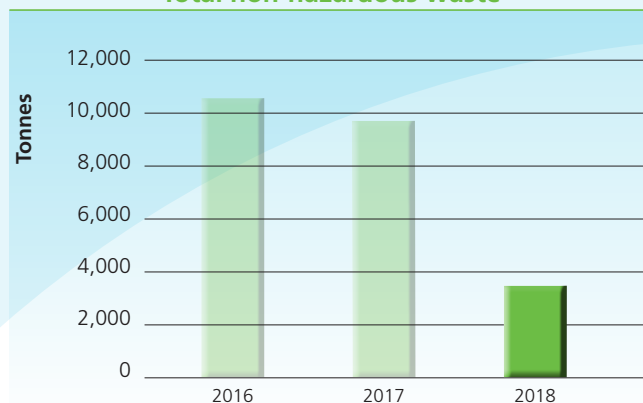
Conventional waste from operating plants to landfill and incineration

Target: **Improvement vs 2017: 305.05 tonnes**

Actual: **217.16 tonnes** 🟢

The total amount of conventional waste (tonnes) was 45% lower in 2018 vs 2017 due to a reclassification of certain types of waste at Urenco Nederland. What was previously declared as conventional waste (incineration) is now defined as recovery. Heat recovery is used for electricity production.

Total non-hazardous waste



### Tails management at Urenco

During the uranium enrichment process, depleted uranium hexafluoride (UF<sub>6</sub>), or 'tails', are made as a by-product.

The by-product contains approximately 20% to 30% of the natural U<sub>235</sub> concentration and therefore has the potential for re-enrichment in the future. We currently store UF<sub>6</sub> in internationally approved transport cylinders, pending future re-enrichment or deconversion to a form suitable for long-term storage.

### Tails Management Facility (TMF)

Urenco ChemPlants will operate our Tails Management Facility (TMF) in the UK, which will deconvert the by-product of enrichment, depleted UF<sub>6</sub>, into a more stable form, uranium oxide, for long-term storage until final disposal. The TMF is planned to be operational in 2019.

This responsible management of the by-product of our enrichment services, tails, is crucial to our commitment to uranium stewardship and sustainability.

We are proud of the fact that during the construction of the TMF, we achieved 6.7 million hours of safe working. The TMF was one of the safest construction sites in the UK.

### Urenco Nuclear Stewardship

Our Urenco Nuclear Stewardship business, also based in the UK, is responsible for the management of uranic materials, decommissioning and recycling.

## Focus Areas

### Materiality and Risk



### Focus Area 3: Supplier of choice



#### Focus area highlights in 2018:

- We met 100% of our customer delivery commitments.
- We are raising our profile in emerging and growing markets, including China.
- We are working towards providing support to our customers to fuel all nuclear new builds, including the next generation of reactors.
- Our financial results reflect the robustness of our operations and the success of our strategy.
- We made good progress in pursuing our micro modular nuclear reactor, U-Battery.
- We made good progress with our Stable Isotopes expansion.
- We supported a business partner who has purchased a vessel to address challenges in the shipping of nuclear materials globally.

For Urenco, the ability to respond to our customers' needs is essential for the long-term success of our business.

We are unique in the world enrichment market in having four enrichment facilities in four different countries.

This gives us the expertise, diversity of supply and capacity to manage geopolitical and market risks and ensure we continue to serve our customers long into the future.

#### KPI: Customer complaints

Target: 0

Actual: 0



#### Business, strategy and economic performance (priority topic)

##### Business and strategy

Urenco's strategy is designed to strengthen and broaden our business to ensure its long-term sustainability.

The three pillars of Urenco's strategy are:

- **Pillar 1** – Optimise the way we do business
- **Pillar 2** – Ensure we remain a global leader in enrichment services
- **Pillar 3** – Expand Urenco's high-tech capabilities to more broadly serve the nuclear industry.

A summary of Urenco's key strategic achievements in 2018 can be found in Urenco's 2018 Annual Report on page 8.

#### Management approach

We developed the strategy to build a business that is sustainable for the future and to maintain our role as a key partner to the nuclear industry. It is led by our Chief Executive Officer, the Executive team and overseen by the Urenco Board.



## Focus Areas

### Materiality and Risk

#### Economic performance

##### Management approach

A sustainable organisation needs to be economically stable and commercially successful. Each year, we set out the organisation's financial goals in our annual business planning process and we present our financial strategy to employees at All Hands presentations led by our Chief Executive Officer and Chief Financial Officer. Our Board carries ultimate responsibility for the economic performance of the company.

Our 2018 results reflect the robustness of our operations and the success of our strategy.

Revenue was strong this year at €1,957.7 million (€1,926.9 million in 2017) as a result of increased SWU and uranium-related sales. EBITDA of €1,200.4 million (€1,249.5 million in 2017) reflects strong underlying business performance and cost discipline, but with higher net costs of nuclear provisions incurred in 2018. Our net income at €511.3 million (€514.9 million in 2017) reflects the EBITDA decline, offset by lower financing and taxation costs.

Our balance sheet had continued to strengthen, with net debt more than halved in the past three years.

In each of the four countries in which we operate, we support local communities through the employment of local people, contributing economic benefit to local areas. We provide practical and financial support through a range of sponsorship and donation activities.

#### Innovation and technology (priority topic)

##### Management approach

One of the key pillars of Urenco's strategy is to leverage our technological capabilities to serve the nuclear industry more broadly.

In this respect, we are confident that we can use our technological expertise to provide support to our customers to fuel all nuclear new builds, including the next generation of reactors and fuels.

Our Executive Management team continually assesses market developments and consults with customers and other stakeholders to align our research and development programmes with current need and future opportunities.

Our Stable Isotopes business is a key example of our work in this area. Based at our site in the Netherlands, it utilises our expertise and capabilities in centrifuge technology to produce enriched Stable Isotope products with social, environmental and commercial value.

New medical, industrial and research applications continue to be developed. We are expanding our product portfolio to meet this increased demand.

In 2018, we successfully implemented the first phase of our expansion programme, which involved the major refurbishment of a cascade hall in preparation for the installation of new centrifuges. The design of the new cascade (multiple centrifuges) is also progressing well.

Additionally, in 2018, we continued our dual track approach in the UK and Canada of pursuing our micro modular reactor, U-Battery.

U-Battery will be an advanced modular reactor, capable of providing a low carbon, cost-effective, locally embedded and reliable source of power and heat for energy intensive industrial sites as well as off-grid locations (such as remote communities, or mining sites). It has the potential to drive significant economic benefits through commercialisation and deployment to global markets.

In 2018, U-Battery was selected to participate in Phase 1 of the UK Government's Advanced Modular Reactor Programme and awarded funding to conduct a feasibility study, which outlined the business and technical case for U-Battery. It was submitted to UK Government in January 2019.

## Focus Areas

### Materiality and Risk

#### Transport and logistics (priority topic)

##### Management approach

The success of our business depends upon the safe and reliable transportation of nuclear materials. Our ability to deliver products to customers from our four enrichment facilities is vital to our 100% customer delivery record.

We are rigorous in our efforts to ensure total transport reliability and over the years we have developed robust relationships with third party logistics suppliers. We deliver products via intermodal transportation, utilising road, rail and sea.

Responsibility for the transportation of our uranic materials lies with Urenco's Commercial department and supply chain partners.

The availability and willingness of third party logistics providers, regulators or port authorities to transport or accept uranic materials may impact our ability to fulfil our global customer delivery requirements.

Where possible, we ensure the availability of alternative routes and maintain a portfolio of logistics partners to ensure continuity of deliveries. We work closely with our supply chain partners to engage with, and provide assurance to, port authorities and regulators regarding our compliance with international regulations regarding the transportation of fissile and other radioactive materials.

In order to address challenges in the shipping of nuclear material globally, Urenco has contracted with a long-standing transport partner who has purchased a cargo vessel.

The contract offers a pendulum shipping service between Europe and North America, an essential route to deliver enriched uranium product to fuel fabricators in the USA and transport natural uranium from North America to Urenco's European facilities. The service is also open for other nuclear and project cargoes across the North Atlantic.

This enabled a security of supply and cost certainty for our global customers.

##### KPI: Missed deliveries

Target: 0

Actual: 0



## Focus Areas

### Materiality and Risk



#### Focus Area 4: Employee engagement



- 7.4% increase in employees who are committed and engaged<sup>14</sup>
- Action plan implemented in response to our 2017 biennial employee survey
- Launch of 'Celebrating U' reward and recognition initiative
- Creation of enhanced Diversity and Inclusion goals for recruitment, succession planning and training.

#### KPI: Employee engagement

% employees who are 'engaged and/or committed'

Target: **80%**

Actual: **80.2%**

#### Employee engagement (monitor topic)

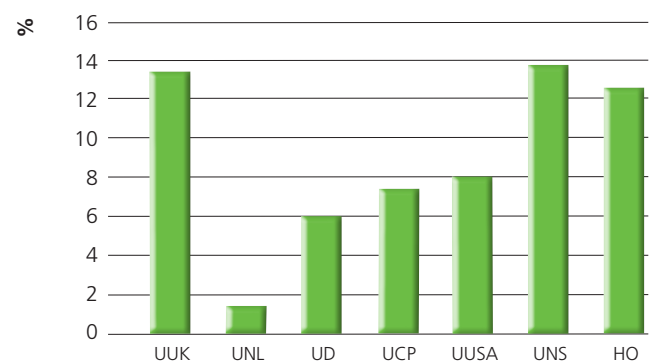
##### Management approach

Through our employee engagement activities, our aim is to maintain high levels of employee commitment and satisfaction. We encourage an active and healthy lifestyle and offer flexible working, wherever possible, to help to ensure our employees maintain a positive work-life balance.

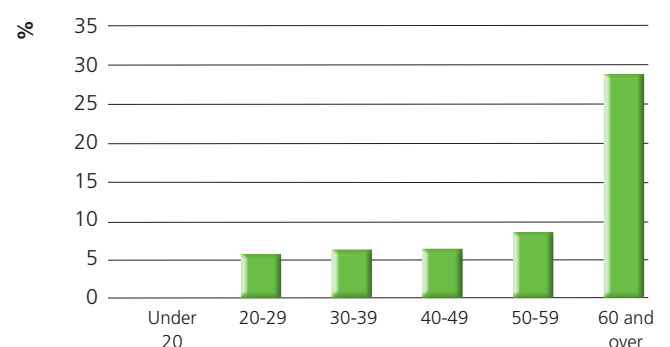
Throughout 2018, excellent progress was made on responding to the findings of our 2017 biennial employee survey, which monitored employee commitment and satisfaction across the business.

For the first time, in 2018, we conducted an employee 'pulse' survey, which aims to track progress in between our more in-depth, biennial employee surveys. The survey showed a 7.4% increase in employees who are committed and engaged. This result is significantly above the global benchmark for the countries in which we operate. In collaboration with champions from across the business, our Employee Engagement Steering Committee has developed a 2019 action plan to facilitate further improvements.

#### Employee turnover by location 2018



#### Employee turnover by age 2018



<sup>14</sup> Urenco 2018 employee 'pulse' survey.



## Focus Areas

### Materiality and Risk

#### Case Study:

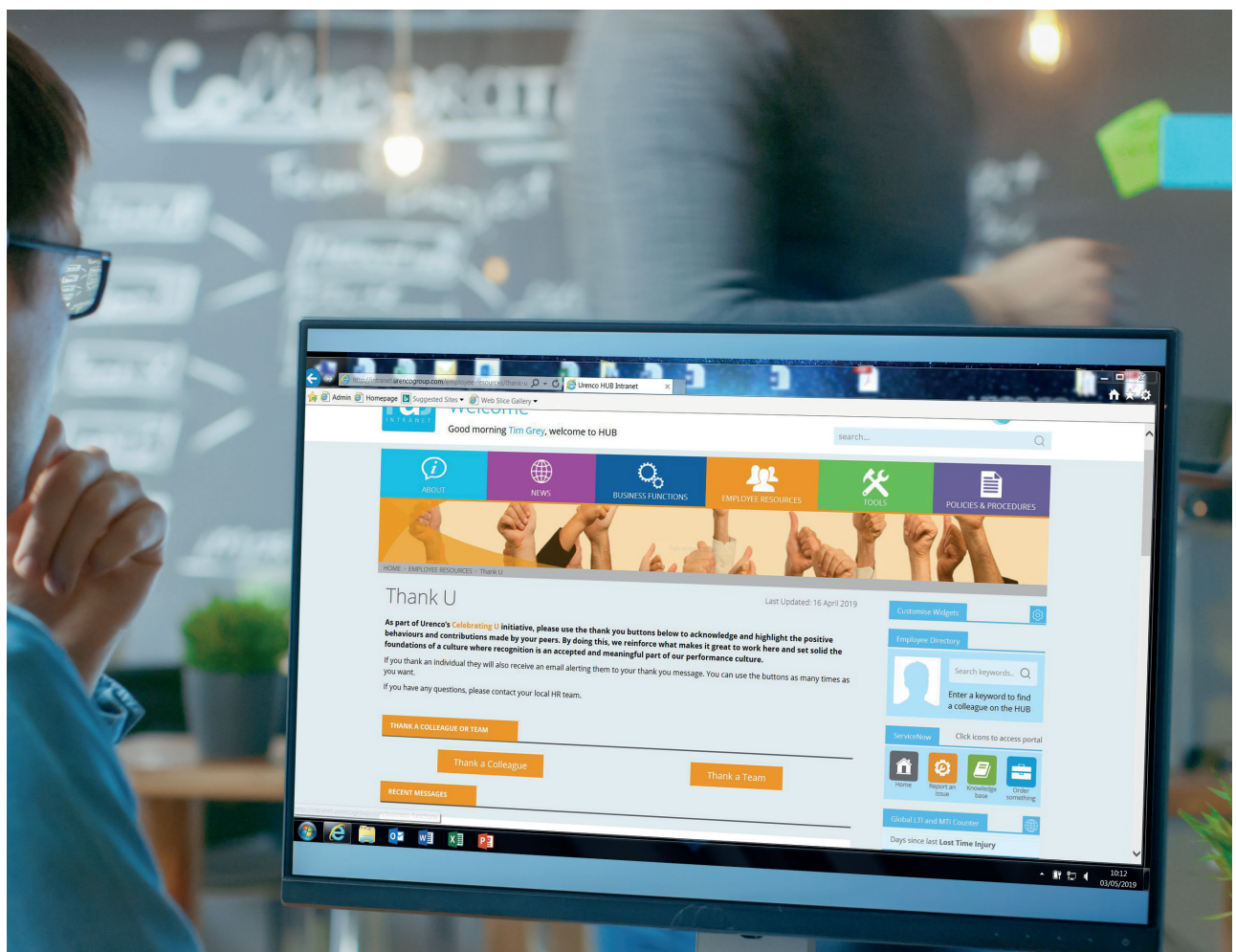
### Celebrating U

In 2018, Urenco launched its 'Celebrating U' reward and recognition initiative to openly recognise the valued contribution made by our employees.

A key element of this, was the introduction of a thank you button on our internal Intranet. Via the thank you button, employees can highlight and appreciate the positive contributions made by their colleagues.

In 2018, more than one third of our 1,500 workforce thanked an employee using the button and the Intranet page received, on average, more than 7,000 visits<sup>15</sup> per month.

The next stage of our 'Celebrating U' initiative is a global employee awards event, taking place in June 2019. We believe this will lead to a more inclusive and performance driven culture.



<sup>15</sup> Data from Urenco 2018 Intranet hits.

## Focus Areas

### Materiality and Risk

#### Case Study:

## Diversity & Inclusion (monitor topic)

### Management approach

Diversity and Inclusion (D&I) continues to be of high importance to us as we believe that promoting and supporting inclusiveness, and making the most of diversity, is good business. It also creates a safer workplace, enhances decision making, improves performance and most importantly is the right thing to do.

For Urenco's employees, our networking groups, which include the Women's Network and Working Parents Network, act as a support mechanism. These groups raise awareness of potential issues, improve the working environment and boost employee confidence.

Overseen by our Executive Sponsor for Diversity and Inclusion, we set enhanced goals for recruitment, succession planning and training.

In 2018, we provided D&I awareness training for Senior Leaders and our target is to complete this training with at least 80% of employees across the organisation by the end of 2020.

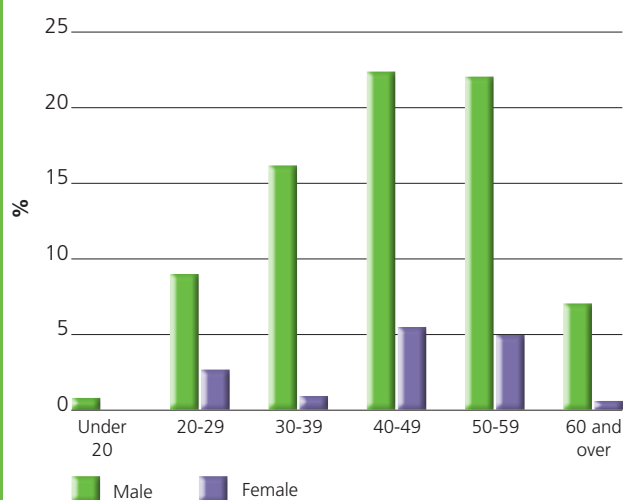
The training, which covers a broad range of D&I topics, includes ways to identify and challenge behaviours. It also provides tools and techniques to recognise unconscious bias<sup>16</sup> to support a transition to a more diverse and inclusive culture.

Additionally, in 2018 we reported our gender pay gap data for our UK businesses employing more than 250 people. We published the findings on our corporate website in March 2019.



<https://urengo.com/careers/gender-pay-gap-report>

### Employees by age and gender 2018



### Human rights

We are fully committed to upholding human rights in all areas of our business. We treat any discrimination incident seriously, and developed comprehensive complaints and grievance procedures, in line with the UN Guiding Principles, for all employees.

### Code of Conduct

In support of our focus on culture and governance, in November 2017 we launched an organisation-wide Code of Conduct. The Code sets out a series of non-negotiable behaviours designed to ensure we maintain the highest ethical standards of professionalism, integrity and accountability.

### Anti-bribery and corruption

Urenco adopts a zero tolerance approach to bribery and corruption, and all employees are required to adhere to stringent anti-bribery and corruption policies and procedures. We conduct regular communications and awareness campaigns on these issues, as well as online training. All employees are made aware of our focus and commitments in these areas.

<sup>16</sup> Unconscious bias happens by our brains making quick judgements and assessments of people and situations without us realising. Our biases are influenced by our background, cultural environment and personal experiences. Source: <https://www.ecu.ac.uk/guidance-resources/employment-and-careers/staff-recruitment/unconscious-bias/>



## Focus Areas

### Materiality and Risk



#### Focus Area 5: Community engagement



##### Focus area highlights in 2018:

- 40% of employees volunteered in local community initiatives
- 100,000 students reached through our global Richie education programme
- Ongoing partnership with the Science Museum in London and the British Science Association
- We hosted more than 2,600 visitors at our enrichment facilities.

##### Community and education (priority topic)

###### Management approach

Supporting local community initiatives and building strong links in the areas in which we operate is a core part of our sustainability approach. Our community and education initiatives, overseen by our Director of Corporate Communications, PR and Sustainability, support our regular engagement with community stakeholders and increase their understanding of our business and industry.

###### Volunteering

Across Urenco, we provide both practical and financial support focused on education, the environment, healthy living and culture.

We assist local residents, disability groups, schools and charities through our volunteering policy, which allows each employee to dedicate eight hours per year to volunteering. In 2018, 40% of our employees volunteered.

###### Richie education programme

Our Richie education programme continues to inspire school children to engage with science, technology, engineering and maths (STEM) subjects to nurture the next generation of talent in the nuclear industry. Since 2007, we reached more than a quarter of a million students globally.

The programme includes practical science workshops in Europe and the USA, which teach primary school children about nuclear energy and the importance of protecting our planet in a fun and interactive way.

In 2018, we continued our sponsorship of the Science Museum's interactive gallery 'Wonderlab: The Equinor Gallery'. The gallery features more than 50 immersive exhibits and demonstrations that show visitors how science and mathematics shape our everyday lives. Since opening in 2016, the gallery has welcomed over 1,010,000 visitors.

Once again, in 2018 we hosted our annual Richie Lecture inside the Wonderlab. More than 120 students attended our fifth lecture, which focused on the scientific discoveries behind electricity. A video is available to watch here:



<https://urengo.com/sustainability/material-areas/richie-education-programme#annual-richie-lecture>

During the year, we also continued our work with the British Science Association (BSA) to encourage young people to engage with STEM subjects through its project-based CREST Awards initiative. In 2018, our two digital educational resources proved incredibly popular in schools throughout the UK, leading to our target for digital reach to be exceeded by more than 110%.

To maximise the success of our resources, in 2018 we supported the BSA with their international expansion by launching the 'Enrich my Classroom' resource in the Netherlands. The resource was piloted in Dutch schools local to our enrichment site in Almelo before being made available on the BSA's website for other schools to download. In 2019, we will pilot this resource in Germany.

## Focus Areas

### Materiality and Risk

#### KPI: Community engagement

Reach through Richie education programme

##### Physical

Target: 5,000

Actual: 8,412



##### Digital

Target: 25,000

Actual: 91,545



#### External engagement on nuclear (monitor topic)

##### Management approach

Urenco is committed to increasing public understanding of the key role the nuclear power industry has in providing reliable, low carbon electricity.

Our work in this area is overseen by our Director of Corporate Communications, PR and Sustainability, who helps to coordinate partnerships with industry peers to support the provision of public education initiatives for a wide variety of stakeholders.

To help increase understanding, in 2018 we hosted more than 2,600 visitors at our enrichment facilities, including local community groups, government representatives, industry peers and customers. We also continued to provide our virtual tour for those who cannot visit in person, which offers an insight into our enrichment operations:



<https://urencocom/about/tours>

Additionally, in 2018, we engaged with the public at regular council, local liaison and elected representative meetings and partnered with universities and other institutions to support their nuclear science, technology and engineering programmes. Meanwhile our key representatives from across the business participated in selected nuclear conferences and seminars, including the Department for International Trade's Civil Nuclear Showcase in the UK and the World Nuclear Fuel Market Meeting in the USA.

#### Political landscape (monitor topic)

##### Management approach

The political landscape in which we operate greatly influences our industry. We regularly monitor potential changes and engage with our stakeholders to ensure that policy decisions can be made on an informed basis and reflect the interests of those who matter most to our business.

In 2018, we made preparations for the UK's withdrawal from the EU and Euratom treaty to mitigate the material risks that this presents. We also continued our dialogue with stakeholders in regards to Germany's decision to end domestic nuclear power generation and provided input to the US Department of Commerce investigation into evolving USA trade policies.

Our Executive Director, Strategic and Government Affairs has responsibility for this area.

## Focus Areas

### Materiality and Risk



#### Focus Area 6: Asset integrity



##### Management approach

Asset integrity is a vital consideration in the design and ongoing maintenance phases of all of our enrichment facilities and is an area in which we continue to drive improvements through new systems and standards. In particular, Urenco has focused on enhancing collaboration and information sharing in asset management. Our Chief Operating Officer oversees this area.

##### **Resilience to power loss**

In 2018, improvements continued to be made in power loss management. All of Urenco's operational sites undertook power loss tests, designed to simulate power interruptions.

We made considerable progress in this area, which led to a reduction in the number of outages due to power fluctuations across the organisation. A comprehensive report has been produced to drive further improvements.

##### **Continued improvement in alarm management**

Following the implementation of an enhanced alarm management evaluation programme, in 2018 improvements were made where necessary to alarm prioritisation and visualisation.

##### **Investment in asset protection**

Continued improvements are being made to our plant control systems to enhance our asset protection. In 2018, a project commenced at Urenco Nederland to upgrade asset hardware to ensure its longevity over the next decade. In addition, a plant control update, introduced at UUSA, will allow cascades to recover more efficiently when returning to normal operation, following a power outage.

##### **5S**

5S<sup>17</sup> remains an important foundation of Urenco's asset management strategy. The 5S housekeeping standard is reviewed at regular meetings with our operational and technical heads at each of Urenco's sites.

During 2018, Urenco conducted a number of 5S audits at each facility, conducted by cross-functional teams. During these meetings, participants carried out rigorous site audits in their respective areas of expertise, using a standardised scoring methodology.

A 5S KPI ensures group-wide tracking and visibility of each site's performance, the outcome of which is collated, analysed and scored against the Urenco 5S standard.

Implementation of the 5S standard continues to drive site housekeeping improvements across the organisation by improving the cultural and behavioural aspects of human performance. In this respect, we strive to meet and maintain the highest industry standards in asset integrity.

<sup>17</sup> 5S enables an organisation to evaluate its workplace organisation capability and visual management standards. Source: <https://uk.kaizen.com/knowledge-center/what-is-5s.html>