Befesa Aluminio, S.L.

Les Franqueses del Vallés plant

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This document constitutes the environmental declaration of Befesa Aluminio, S.L.- Les Franqueses plant corresponding to the year 2020. It has been made considering the requirements established by the regulations (CE) Nº 1221/2009 and (CE) Nº 1505/2017 and (CE) Nº 2026/2018 of the European Commission, concerning the voluntary participation of organizations in a community environmental management and audit system (EMAS).

Contents

1. EMAS registration

1.1 Regulation (EC) nº 1221/2009, nº 1505/2017 and nº 2026/2018

Regulation no. 1221/2009 on the EMAS (Eco-Management and Audit Scheme) is a system by which organizations can voluntarily adhere to a community management system and environmental audits. In 2017, Regulation no. 1505/2017 is published and enters into force, which partially modifies (Annex I, II and III) the aforementioned Regulation. In 2018 Regulation no. 2026/2018 is published which modifies Annex IV.

These regulations have three fundamental commitments:

- Internal control of the environmental impacts of the process and registration under the basic assumption of compliance with the environmental legislation applicable.
- Continuous reduction in impacts, defining and publishing the objectives and actions to achieve them, as well as the control and results through continuous environmental audits.
- Commitment to full transparency regarding society and other sectors.

1.2 Environmental declaration

It is the essential element of the system, since it involves making the company's environmental data available to society:

- Consumption of raw materials, water, electricity, fuel, emissions, effluents, waste, etc.
- The company's environmental policy, ensuring compliance with the applicable regulations and, at the same time, the commitment to continuous improvement based on quantifiable objectives and the prevention of pollution.
- Validation of the system audit, as well as compliance with the regulations, all through an authorized verifier.

In short, to inform society about our activity, provide key data and ensure environmental compliance of our company.

1.3 Befesa Aluminio, S.L. as a member of the system

Voluntarily Befesa Aluminio, S.L. with NACE code 2453 (light metal casting) has decided to join the system, to make its environmental commitment clear to society in the development of its daily activity. This is defined as:

"Solid and liquid aluminium alloys production. Aluminium waste treatments. Trading of by-products of aluminium and other non-ferric metals".

2. The company's activities, products and services

The company Befesa Aluminio, SL, has 3 work centers of recognized international prestige, located in the towns of Erandio (Bizkaia), Les Franqueses del Vallés (Barcelona) and Bernburg (Germany). All of them are classified as refineries of aluminum and are within the sector of the so-called eco-industry, because they are dedicated to recycling, recovering and valorizing of all types of waste from the aluminum industry. The total recycled process allows the recovery of the free metal of all the materials that it processes, as well as the oxide that inevitably accompanies them, providing an important alternative to the aluminum of primary type and the high consumption of energy that demand its obtaining and assuming consequently an inexhaustible source of obtaining metals in front of the mining extraction, consequently prolonging the rate of depletion of the planet's natural resources.

The activities developed by Befesa Aluminio, S.L. constitute an important and fundamental link in the life cycle of aluminium. The activities carried out in primary aluminium production plants, aluminium processing and finishing plants, or aluminium smelters in general, would be totally unfeasible without the presence of industries such as Befesa Aluminio, SL, in charge of the treatment, recovery and recycling of waste that they generate by converting mentioned waste into assimilable raw materials. Befesa Aluminio, S.L., since its beginnings, has focused its activities on the production of aluminium alloys under any type of specification for the injection molding of parts for the automotive, household appliances and construction sectors.

The overall calculation of its activities has placed Befesa Aluminio S.L. as the main company in its activity in Spain and one of the largest in Europe. The link that Befesa Aluminio, S.L. has maintained and maintains with groups and companies of worldwide recognition and the use of the acquired knowledge, has contributed to Befesa Aluminio, S.L. be an aluminium recycling industry with suppliers and customers all over the world such as manufacturers of the automotive sector and foundries supplying these.

3. Environmental management system

Our environmental management system consists of the following elements:

- Environmental policy: formally describes the guidelines and objectives of Befesa Aluminio, S.L. in its relation to the environment.
- Environmental management program, which includes the necessary activities to be carried out to achieve the objectives.
- Documentation of the environmental management system, which mainly consists of:

  - Context of the organization: Describes the external and internal issues that are relevant for the company and that affect its ability to achieve the expected results of its environmental management system.
  - Scope of the organization: Determines the limits and applicability of the environmental management system.
  - Procedures: Describe the development of the activities carried out by the company.

- Internal environmental audits, such as management tools to evaluate the development and effectiveness of the implemented environmental management system and identify opportunities for improvement.
- Annual Management review of the system to evaluate the implementation

and effectiveness and establish new objectives for continuous improvement.

- Evaluation of environmental aspects.
- Registration of the legislation and identification and evaluation of the applicable legal requirements.

In addition, it has three main objectives:

- The commitment to comply with the legal requirements and others that apply to this facility.
- Carry out our recycling activity in a manner that respects the environment, paying special attention to those activities and products that could entail risks for the environment.
- Continuous improvement from the environmental point of view.

These bases come from the guidelines established by our management policy which has been revised at the beginning of the year 2021 producing slight adjustment changes in its content.

Quality, safety, environment and energy policy

Values

We promote the Quality of our products and processes, the defense of the Environment, the Safety and Health of our direct and indirect workers and the Sustainable Development of our environment.

Policy

Befesa Aluminio, S.L. aspires to become a world leader in the aluminium sector in the areas of Quality, Prevention, Environment and Energy Efficient Management, convinced that it is the only path towards its productive excellence.

Principles

The General Manager of the company and all the Processes Responsible must be the first example of compromise, image and zero tolerance and we assume the final responsibility in the Quality, Health, Safety, Environment and Energy Management of the company.

We consider our human resources the main and key factor of our economical business, so we train them and give them action availability in the Quality, Health, Safety, Environment and Energy Management of the company.

We assume all employees' involvement as the main question for the company´s success, pushing the dialog, consultation, and continuous and active participation to achieve the established objectives and goals that will be periodically reviewed by the Management.

The Safety and Health of the workers, the conservation of the Environment, the efficient management of energy and the satisfaction of all our clients, are part of the daily work of each of the workers.

We do never put ahead Production of Economic benefit to Health and Safety.

We assume as objective of the company the principle of "Zero accidents", promoting the elimination of the dangerous ones and the continuous reduction of the identified risks.

We consider that all accidents are avoidable and that all accidents and incidents must be communicated and investigated as a way to the continuous improvement.

We assume the compromise of getting all the necessary human and technical resources to promote the continuous improvement of all our production processes, as well as the protection and environmental and energy performance and the generation of a safe and accident-free work environment.

We are committed to providing safe and healthy working conditions for the prevention of work-related injuries and health deterioration.

We support the acquisition of energy efficient products and services, as well as responsible design to improve energy performance.

We ensure the fulfilment of all the applicable legislation as well as all the external and internal stablished standards and requirements,

We develop a Quality, Health, Safety, Environment and Energy integrated management system which is periodically revised and audited according to well-known international standards.

Erandio, February 2021

In accordance with the requirements imposed by the internationally recognized ISO 14001: 2015 standard, the Managing director of Befesa Aluminio, S.L. has appointed the following person to ensure the implementation and maintenance of the established environmental management system:

- **Oskar de Diego Rodríguez, Environmental Manager,** as a delegate of the management to establish, implement and maintain the environmental management system up to date and at the same time guarantee compliance with all applicable environmental requirements.

It must be mentioned the integrated management that is currently being carried out of the quality, prevention, environment, and energy systems with the aim of progressing jointly in the four fields, simplifying efforts, but maintaining the rigor and seriousness characteristic of the four individualized concepts that does not compromise the well-being of our future generations.

4. Befesa Aluminio, S.L.- Les Franqueses del Vallés plant

The company Befesa Aluminio, S.L.-plant of Les Franqueses del Vallés-, is located in Les Franqueses del Vallès (Barcelona) since 1985. The formats in which it presents its final products are:

• Aluminum ingots and their alloys of 7 - 10 kg of weight for molding.

A detailed plan of the installations of the Les Franqueses del Vallés plant and the organizational chart of Befesa Aluminio, S.L. is shown:

Illustration 1: Layout of the facilities at the Les Franqueses del Vallés plant.

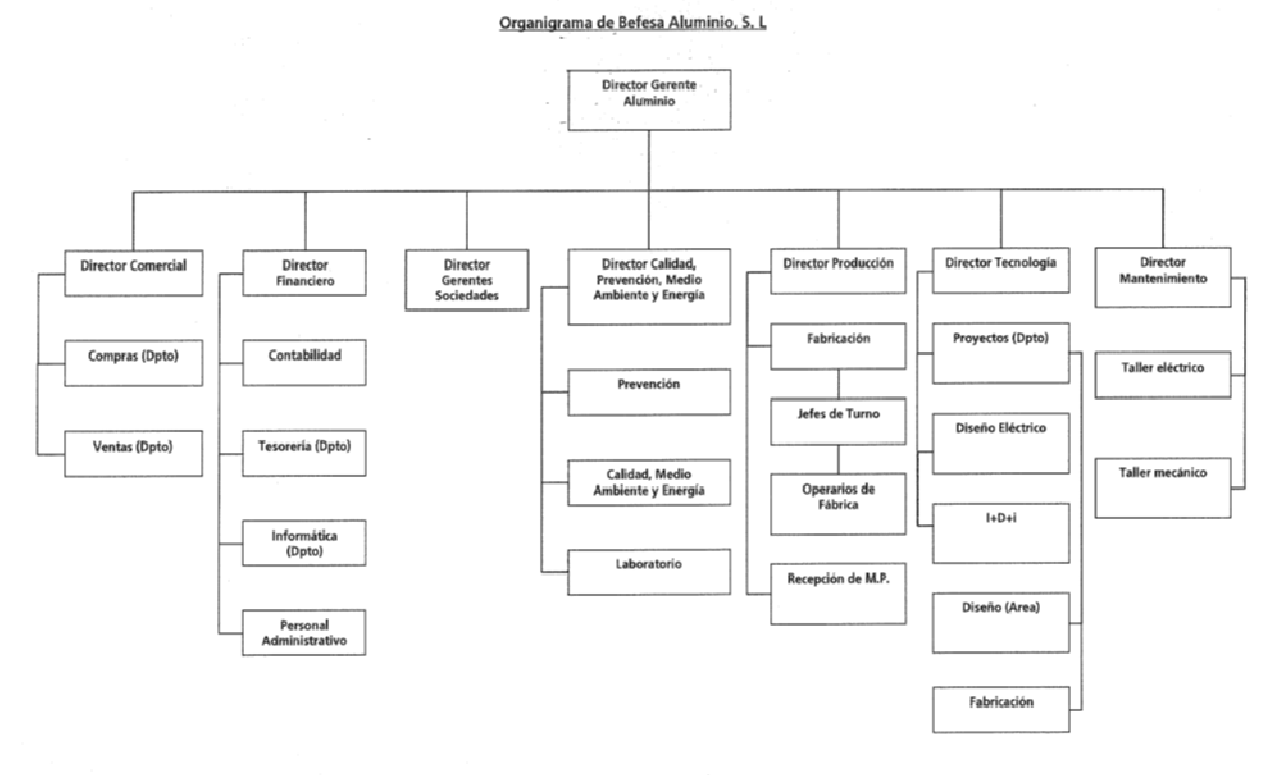


Illustration 2: Organization chart of Les Franqueses del Vallés plant.

The recycling and recovery process developed at the Les Franqueses del Vallés plant consists of two main processes: one of initial melting of the materials in rotary and vortex furnaces and another of refining the final product in holding type furnaces. Both processes are associated with two facilities considered as BAT (Best Available Technique) in the "Reference Document for the Best Available Techniques of Non-ferrous metallurgy" prepared at the request of the European Commission.

The production process begins with a correct selection of raw materials among which we highlight the cuts, cables, crankcase, pots, cans, lithography, chips, foams and in general, all types of scrap and waste from the aluminium sector. These raw materials, once selected and in the case of the chips, treated by the two chip dryers, are melted in the appropriate proportion for the approximate obtaining of the specification requested by the end customer, using a vortex furnace and a rotary furnace own designed to which is added certain amounts of salt as a flux and protector of the molten aluminium.

The fusion of these materials well understood, is not only to bring to the liquid state the raw material, but also to dissolve the metal elements in suspension and promote some cleaning reactions of the material, the latter being what differentiates a rotary type furnace from other types of furnaces. Verifying that the temperature of the furnace is adequate, that the material is melted and that the quality of the flux that is supernatant is that foreseen, the furnace is emptied in two stages, firstly removing the metal and ending with the melted molten salt or salt slag.

The gases produced during this fusion process are evacuated through purification systems, consisting of cooling systems and bag filters, where the solid particles are retained and where the neutralization treatment of the acidic combustion gases is carried out at the same time. generated, by the controlled addition of calcium hydroxide.

For its part, the salt slag obtained as a result of the use of salt during the described fusion process, is completely recycled and recovered, giving rise in turn to an aluminium oxide (paval) that has various applications in the sector of cement industries, definitively closing the circle of recovery of the aluminium waste described.

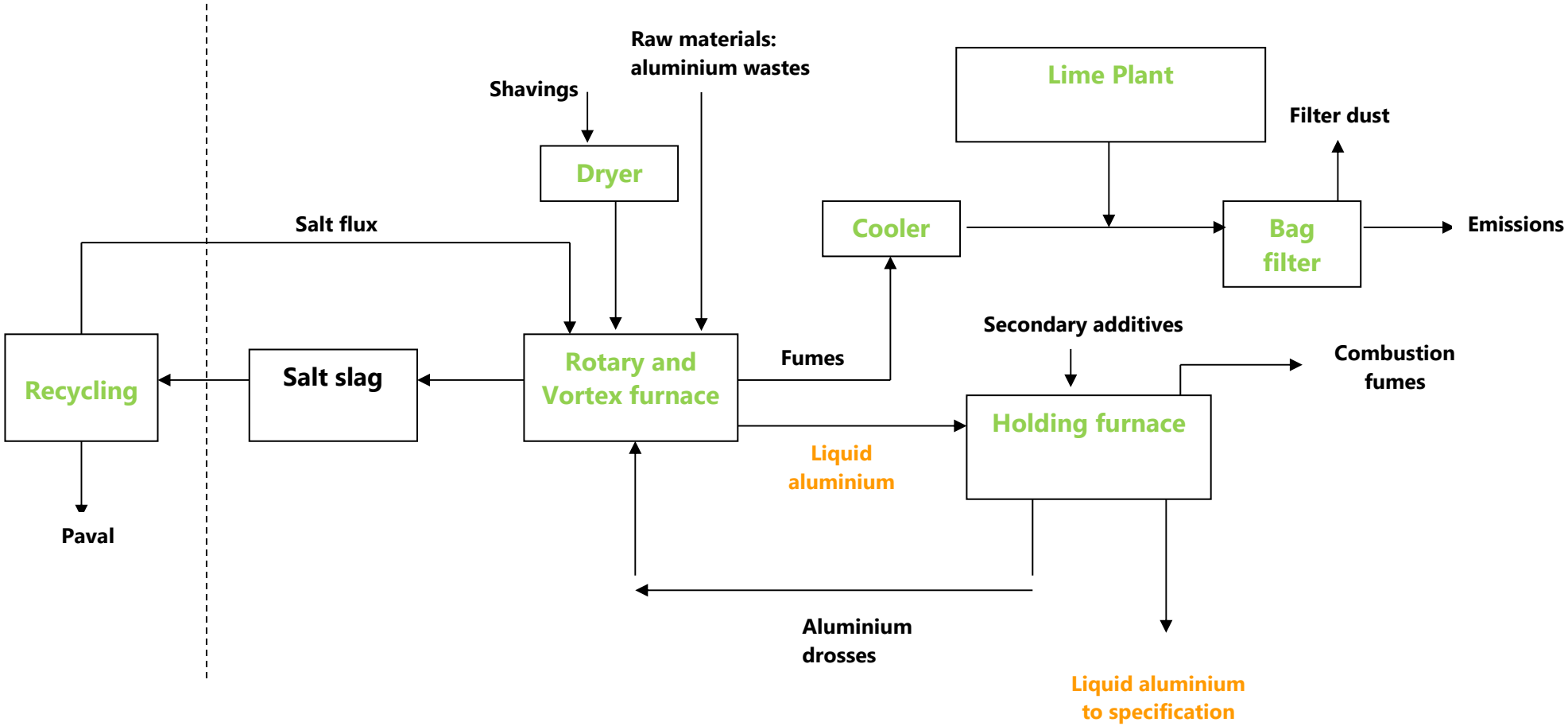


Illustration 3: Flow diagram of the process for obtaining aluminium in liquid form.

Once they have been melted in the rotary and vortex furnaces, the raw materials go on to phase two in holding furnaces, where they are adjusted to the exact target specifications by adding secondary additives such as Si, Cu or Mg. Furnaces of this type are particularly suited to this last phase of production, since they provide metal that is at rest and the quality parameters of which can be adjusted under controlled heat conditions.

Once the slag has been skimmed off and the temperature adjusted, the metal is ready for pouring. The molten metal is sent to the pouring wheel for pouring into ingots. The pouring wheel comprises a chain of ingot molds that guarantee the reliable, rapid production of ingots with high surface quality. The ingots are cooled, tipped out and conveyed to a machine that stacks them fully automatically in tiers, using a powerful computer that can form packages of different shapes to meet the requirements of each customer.

The water used during the cooling process is recirculated via three cooling systems fitted with parallel filters. The water used to bleed the filter systems during cleaning is treated to the same standard as run-off water and evacuated to the municipal main sewer via a single discharge point, which meets all the constraints imposed by the relevant integrated environmental authorization.

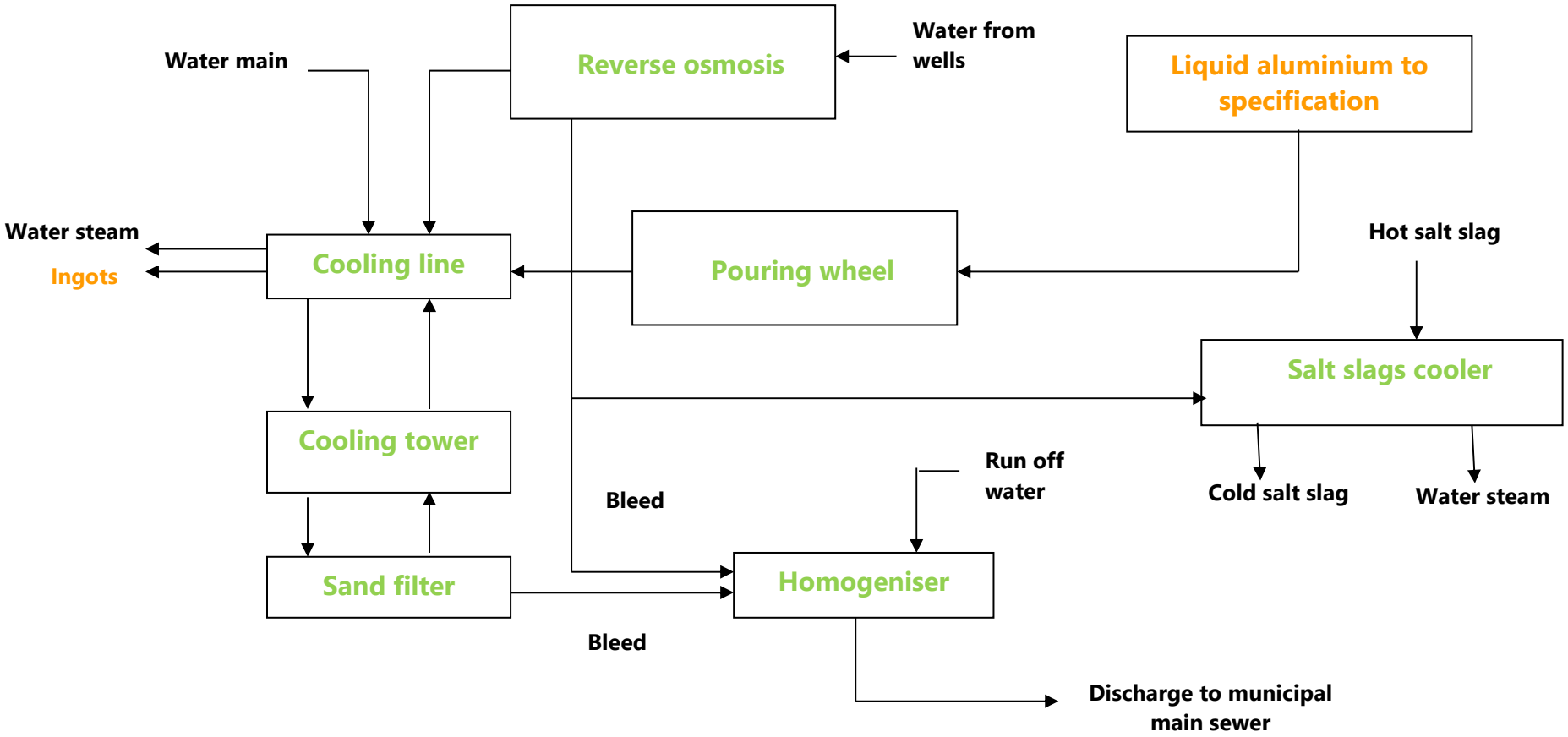


Illustration 4: Flow diagram of the ingot and liquid aluminium manufacturing process.

The global production calculation has placed the total average production of the Les Franqueses del Vallés plant in 58,647.496 t of finished product in recent years (2018-2020) (See page 33), with approximately 13% of its market being smelters in national market and 87% foreign customers.

All the products supplied by the company go through a previous control of final quality and are perfectly identified in such a way that it is possible to maintain the total traceability in relation to the manufacturing process, raw materials used, and controls carried out. All this is managed through our quality management system with ISO 9001 certification.

In addition, in accordance with its activities aimed at the conservation of natural resources and the protection of the environment, we consider it necessary to carry out our activity with the least possible local environmental impact. Aware of this need, we decided to implement in 2003 an environmental management system ISO 14001, subsequently verified according to the European regulation EMAS in 2005 with the registration number ES-CAT-000203 that is finally complimented with the ISO 50001 of energy management in 2016.

5. Representative environmental aspects of the company

The most representative environmental aspects of the plant are the following:

A) Emissions into the atmosphere

The plant has three stacks associated with the facilities that are part of the production process, which correspond to the unified foundry stack (includes holding furnace 2, holding furnace 3, vortex furnace, tilting rotary furnace and salt slag cooler), the shaving dryer No. 1 + drying area (since January 2021 also includes laboratory furnaces) and the shaving dryer No. 2

Periodically an officially approved laboratory (OCA) performs sampling of the emissions produced in these described smokestacks, analyzing later the compounds that in each case mark the integrated environmental authorization.

In order to ensure the proper functioning of the purification systems associated with the outbreaks, internal procedures have been developed, which are part of the integrated environmental management system, in which the continuous and periodic controls that must be carried out are defined to detect any anomaly, as well as the establishment of appropriate corrective actions.

B) Waste production

The company has the corresponding integrated environmental authorization

(BA20120011) and its substantial change (B1CS160297) and its non-substantial changes (B1CNS180276 and B1CNS200584) which contains the authorization of the producer of hazardous and inert waste with the producer code P-03570.1.

- **Hazardous wastes**

The most significant hazardous wastes are the following:

- Salt slag: As a result of the use of common salt as a flux (NaCl and KCl) to prevent the unwanted oxidation of liquid aluminium inside the furnaces in contact with the atmosphere. The mentioned salt slag is totally recycled in what constitutes a fully integrated process of aluminium waste treatment within the Befesa Group, giving as a source a new salt capable of being used in new production processes and an inert waste, rich in aluminium oxide called Paval, which has countless applications in the world of cement.

- Filter dust: Because of the treatment of the combustion gases through the purification systems present in the factory, and of the loads and movements of material in the furnaces and in the drying rooms. They are stored under cover, in big bags, until their final shipment to an authorized agent.

- Filter bags: As constituents of the flue gas cleaning systems. Damaged or damaged bags are replaced and sent to authorized manager.

- Used oils: Coming from the maintenance operations of the facilities and

machinery, they are stored in duly identified and dated warehouses waiting for their shipment to an authorized manager.

- Contaminated empty plastic containers: Containers that have contained chemicals, solvents, oils, etc. They are stored in a perfectly identified warehouse for shipment to an authorized manager.

- Absorbents, rags and contaminated clothes: Coming from maintenance operations, they are stored in properly identified and dated drums until their final shipment to an authorized manager.

The company has the corresponding acceptance documents from each of the authorized managers with whom it manages the aforementioned hazardous waste.

- **Inert wastes**

The industrial inert waste produced in the plant is basically that coming from the repairs, reforms or improvements that comply with the aforementioned definition. Said waste and its management are the following:

- Metallic wastes (iron scrap): they are disposed in a drawer provided for this purpose. When it is at full capacity, a company dedicated to the removal and management of this type of material is notified.

- Refractory bricks, rubble, wood, plastic and rubber: Waste refractory bricks

come from maintenance work on the linings of the rotary furnaces and the holding furnaces. Rubble, wood, plastic and rubber waste come from civil work done at the company. These types of waste are selectively storage and sent to an authorized waste manager.

- General wastes no selectively collected: these go to landfill.

C) Depletion of natural resources

Considering aspects related to the management of natural resources in plant, the company has within its integrated management system a method of identification, monitoring and control of the resources used.

These resources correspond to the consumption of natural gas, used in the operation of furnaces and dryers, consumption of electrical energy, consumption of water for sanitary use and for cooling of ingots, to diesel (mobile machinery and shavings dryers), to oxygen (furnaces) and nitrogen (used in holding furnaces for the homogenization and degassing of liquid metal).

6. Significant environmental aspects of Les Franqueses del Vallés plant

As a basis for the definition of environmental objectives, direct and indirect environmental aspects are evaluated on an annual basis. To do this, criteria such as probability and severity are applied, obtaining the individual degree of significance of each of them. This allows to determine the future work areas on which to centralize efforts, in order to minimize the company's global environmental impact.

Following the criteria of severity and probability previously referenced, and after applying the rest of the criteria applied by the company in the internal evaluation process of all its environmental impacts, the impacts defined as significant for the year 2020 are summarized below:

- Confined emission of PST, PCCD/F, Cl2, HF, Hg, HCl, COVT, CO, NOx, and SO2 because of the routine operation of fusion of materials in rotary, vortex, holding and laboratory furnaces, shavings dryers and salt slag cooling system whose associated aspect is the potential air pollution.

- Generation of uralites because of the repair of the roofs of the warehouses, whose associated aspect is the potential contamination by hazardous waste.

- Oxygen consumption, because of its use in melting in the tilting rotary furnace, whose associated aspect is the disappearance of natural resources.

- Possible generation of Legionella (in an emergency situation), whose associated aspect is sanitary contamination.

For all the impacts classified as significant, Befesa Aluminio, S.L. it establishes a strict and periodic control of the same, associating at the same time strategic objectives and environmental indicators of control and improvement, which allow it to guarantee the present and future environmental performance of the company.

Befesa Aluminio, S.L. also monitors and evaluates indirect environmental aspects, including those aspects for which it does not have full capacity to act. As main indirect environmental aspects in the year 2020, we highlight the following:

- Generation of used oils and batteries by subcontracted transport companies.

- Generation of emissions and ammonia odor associated with potentially wet raw materials.

- Potential presence of radioactivity associated with the raw materials received.

- GHG emissions associated with services and supplies.

7. Outline of environmental targets and goals 2020

Every year, a series of environmental objectives are established, which are included in the annual environmental plan, where the goals associated with each of them are defined, as well as the corresponding allocation of human and material resources. The environmental objectives defined for the year 2020 are described below, making a brief summary of the degree of final implementation:

Aspect	Target	Target value	Result
CO_2 emissions	Reduce greenhouse gas emissions associated with secondary aluminum production	-2 %	**-11.35 %**
CO, NO_x, PST y COT emissions	Reduce total atmospheric emissions in the chimney also controlling the correct compliance with the legally established limits.	-2 %	**No applicable**
HCl and PCCD/F emissions	Reduce total atmospheric emissions in the chimney also controlling the correct compliance with the legally established limits.	-2 %	**No applicable**
		-2 %	**No applicable**
Natural gas consumption	Reduce he total consumption of natural gas used in the activity associated with production processes.	-2 %	**-16.27 %**
Natural gas consumption	Reduce the total consumption of natural gas used in the activity associated with the chip treatment processes.	-2 %	**-3.24 %**
Electricity consumption	Reduce the electricity consumption used during the activity associated with production processes	-2 %	**-10.89 %**
Gasoil consumption	Reduce the consumption of diesel used in mobile machinery	-2 %	**-28.57 %**
Nitrogen consumption	Reduce the nitrogen consumption used during the activity associated with the production processes	-2 %	**-12.5 %**
Oxygen consumption	Reduce the oxygen consumption used during the activity associated with the production processes	-2 %	**+43.42 %**
Slat flux consumption	Reduce the consumption of flux used during the activity associated with the production processes	-2 %	**-20.67 %**
Salt slag generation	Reduce the generation of salt slag generated during the activity associated with the production processes	-2 %	**+20.61 %**
Filter dust generation	Reduce the generation of filter dust	-2 %	**+104.79 %**

- **To reduce 2 % for GHG emissions associated to secondary aluminium production.**

At the beginning of 2020, a joint objective of minimizing GHG emissions was defined for the centers that make up Befesa Aluminio, S.L. This objective was associated with emission sources corresponding to the two types of scope that are included in the company's inventory, and which refer to direct emissions (scope 1) and indirect emissions (scope 2). After computing the emissions of these sources throughout the year 2020, it has been observed that Befesa Aluminio, S.L. has met the objective of minimization proposed, presenting a relative improvement percentage of 11.35 % (0.2640 teq CO2 / t in 2020 versus 0.2978teq CO2 / t in 2019), mainly due to the bigger productions obtained at Les Franqueses plant as a result of the important structural and installation works carried out throughout the year 2020.

- **To reduce 2% total atmospheric emissions in chimney.**

During 2020 the total atmospheric emissions in the chimney have been controlled, obtaining as a result 1,734 kg of PST + NOx + COVT + CO + PCCD / F + HCl + HF + Cl2 + Hg / tn finished product. The value cannot be contrasted with the data obtained in 2019, since it is a new indicator with contaminants recently incorporated into the new Integrated Environmental Authorization. From now on it will be possible to compare results, since we will have the same number of pollutants to control.

- **To reduce 2 % for HCl and PCCD/F emission.**

It is decided to eliminate this objective since from now on the atmospheric emissions will be monitored jointly, that is, as total atmospheric emissions in the stack.

- **To achieve a 2 % decrease in total natural gas consumption associated with the plant's production processes.**

The relative consumption of natural gas associated with the production processes has decreased significantly in 2020 (1.014 MWh / t manufactured product), with respect to the values reached in 2019 (1.211 MWh / t manufactured product). This reduction of 16.27%, allows to reach the established objective of reduction of 2%. During 2020, the tilting rotary kiln and the vortex were worked together, which has meant improving gas consumption than working only with the vortex furnace, as was done in the last months of 2019.

- **To achieve a 2 % drop in natural gas consumption associated to shavings dryers.**

On the other hand, the consumption associated with the chip treatment process in 2020 was 0.299 MWh / t treated chips, in 2019 it was 0.309 MWh / t treated chips. Therefore, a decrease of 3.24% was obtained, achieving the objective set at the beginning of the year. This decrease is associated with the quality of the processed materials, specifically the chip, with less humidity than the previous year.

- **To achieve a 2 % drop in electricity consumption associated with the plant's production processes.**

The relative electricity consumption during 2020 has decreased compared to the values reported in 2019. The initially proposed reduction objective has been achieved mainly due to the increase in production in 2020 and the structural works that took place throughout the previous year. The specific consumption of the year 2020 reached values of 0.090 MWh / t, which represents a decrease of 10,89% with respect to the consumption of the year 2019 (0.101 MWh / t). The objective, therefore, has been achieved.

- **To achieve a 2 % drop in the amount of gasoil used in the plant´s production processes.**

The proposed objective of reducing the consumption of diesel directly associated with mobile machinery and the manufactured product has been achieved, decreasing by 28.57 %. The relative value of 2020 (0.073 GJ / t product manufactured) has decreased with respect to the year 2019 (0.098 GJ / t product manufactured). The objective has been achieved due to the bigger production than the previous year in which part of the process installations were changed.

- **To achieve a 2 % drop in the amount of nitrogen used in the plant's production processes.**

The relative consumption of nitrogen in the year 2020 has been 0.021 t / t manufactured product with respect to 0.024 t / t manufactured product of the year 2019. It means that the relative consumption has decreased by 12.5 %, thus achieving the initially marked objective of reducing the 2%. The times at the time of

alloying in the holdings have been shorter to those of the previous year and for that reason the reduction has been achieved.

- **To achieve a 2 % drop in the amount of oxygen used in the plant's production processes.**

The relative oxygen consumption increases from 0,076 t / t product manufactured in 2019, to 0,109 t / t product manufactured in 2020, which represents an increase of 43.42 %. The incorporation of the tilting rotary furnace, which consumes this gas, has led to such a significant increase. The oxygen consumption during the months of August, September and October 2019 was zero, since only the vortex furnace was used.

- **To achieve a 2 % drop in the amount of flux used in the plant's production processes.**

The relative consumption of flux salt and potash has decreased slightly in 2020 (0.65 t / t), a total of 20.67%, with respect to the values of 2019 (0.208 t / t). The 2% reduction objective has therefore been achieved, mainly because of the operation of the vortex furnace, an installation that does not use fluxes for melting

- **To achieve a 2 % drop in the amount of salt slag produced during the plant's production processes.**

The objective of reducing the generation of salt slag has not been achieved, mainly due to the nature of the raw materials used to obtain the final product and, above all, due to the period that only the vortex furnace was used during 2019. The Tilting rotary

furnace started up in January 2020 and is the one that generates the salt slag. The relative value in 2020 was 0.474 t / t of manufactured product, compared to the value of 0.393 t / t of manufactured product in 2019, which represents an increase of 20.61%, thus not achieving the objective.

- **To decrease the amount of filter dust produced by 2 %.**

The relative amount of filter dust generated throughout the year 2020 has reached values of 0.0342 t / t manufactured product, which represents an increase of 104.79% with respect to the values of the year 2019 (0.0167 t / t manufactured product). This objective has not been achieved due to the incorporation of the new unified filter, which aspirates and collects all the emissions from the sources located in the foundry. It should be noted that this fact represents a very important environmental improvement of the plant.

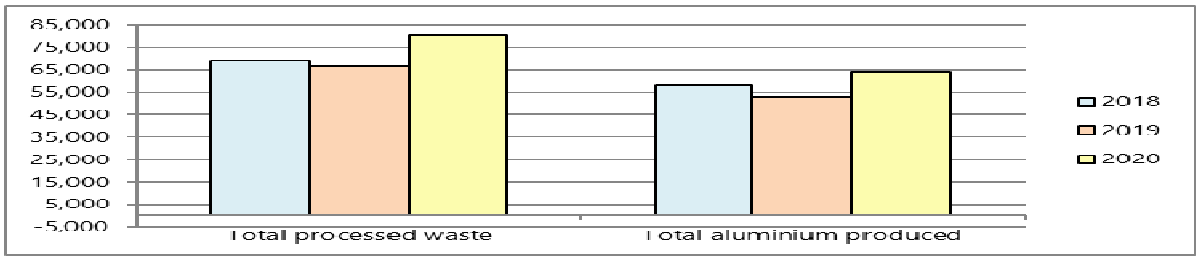
8. Environmental performance of the company

The following sections reflect the environmental performance of the company:

8.1 Aluminium waste recycling for aluminium recovery

All materials received except for the so-called fluxes (NaCl and KCl) and alloying, are considered waste according to national and European regulations currently in force. These materials come mainly from other primary and secondary aluminium smelters and from aluminium scrap collectors that have their origin in the market of parts machining, scrapping of vehicles and household appliances and product cuts. The main function and motivation throughout our production process is the total recovery of the mentioned secondary waste as a direct alternative to primary aluminium obtained from the transformation of natural resources.

The total quantities of waste processed in the last 3 years, as well as that of secondary aluminium obtained as a consequence of the recycling operation carried out, are detailed below.



	Total processed waste	Total aluminium produced
2018	69,147	58,621
2019	66,843	53,134
2020	80,841	64,187

Graphic 1: Comparison of waste treated and aluminium produced (t) in the last 3 years.

8.2 Energy consumption

The absolute (MWh) and relative consumption (amount per ton of product manufactured) of the main energy resources used in the production process corresponding to the last 3 years are shown below. Throughout 2020 there has been a total direct consumption of renewable electric energy amounting to 16.1%, corresponding to the renewable part of the total electricity consumed and a total generation of renewable energy equal to 0 Mwh.

Renewable energy consumed	2018	2019	2020
Consumption (MWh)	1,554.8	1,618.8	917.1
Relative consumption (MWh/ t)	0.026	0.030	0.014

- **Natural gas**

The fuel used is natural gas that is used in the smelting and refining processes of rotary, vortex and holding furnaces and in the process of drying treatment of chips. The natural gas supply is made directly through the network.

Natural gas	2018	2019	2020
Consumption (MWh)	77,282.1	79,338.1	75,774.3
Relative consumption (MWh/ t)	1.32	1.50	1.18

The relative consumption of natural gas has decreased substantially in 2020 (1.18 MWh / t manufactured product), compared to the values reached in 2019 (1.50

MWh / t manufactured product). This decrease refers to the total natural gas consumption of the plant. Indicate that during the year, the natural gas consumed was associated only with the production process, obtaining a value of 1,014 MWh / t manufactured product (year 2019: 1.211 MWh / t), and on the other hand the consumption associated with the treatment process of chips, the value obtained in 2020 being 0.299 MWh / t treated chip (2019: 0.309 MWh / t). At present, objectives of both indicators are defined separately, and this decrease in consumption is due to both processes, both chip drying and ingot production.

- **Electricity**

The company has two transformers located in buildings nº 5 and nº 1. These two transformers have an electrical power of 630 and 1,000 kV. In terms of lighting, the use of fluorescent lights predominates in offices and LEDs lamps in production areas and outdoor areas.

Electricity	2018	2019	2020
Consumption (MWh)	5,131.4	5,342.5	5,696.1
Relative consumption (MWh/ t)	0.089	0.101	0.089

Electricity consumption per ton of manufactured product has decreased in 2020, due to the increase in production this year and as a result of the structural works that took place throughout the previous year

8.3 Secondary materials consumption

The absolute (t) and relative consumption (quantity per t of manufactured product)

of the main secondary materials used in the productive process corresponding to the last 3 years are shown below.

- **Salt flux**

The fluxing salt is mainly a mixture of NaCl and KCl, which is added to the inside of the rotary type furnaces, together with the rest of the main raw materials. The mission of the flux salt is to protect the molten aluminium from possible unwanted oxidations, while being a recipient of the impurities that can potentially accompany the raw materials used. The use of the flux salt generates a hazardous waste called salt slag, which is completely recycled within Befesa, giving rise in turn to an aluminium oxide that has various applications in the cement industry sector.

Salt flux	2018	2019	2020
Consumption (t)	18,691	11,027	10,612
Relative consumption (t/ t)	0.318	0.208	0.165

The relative consumption of melting salt has decreased slightly in 2020 with respect to the values reported in 2019, mainly due to the elimination of the fixed rotary furnace (the main consumer of flux due to its nature of work) and the no flux necessity in the vortex furnace.

- **Oxygen and Nitrogen**

In the facilities there are two external oxygen tanks and one nitrogen tank that are the property of the supplier in both cases. Oxygen and nitrogen are used to perform

the oxy-gas mixture in the rotary furnaces and for the degassing of the holdings respectively.

Oxygen	2018	2019	2020
Consumption (t)	7,028	4,050	7,003
Relative consumption (t/ t)	0.119	0.076	0.109

The specific oxygen consumption has increased with respect to the data reported in 2019. During 2019, work was carried out for many months only with the vortex furnace, which does not use oxygen, and as of January 2020, the tilting rotary furnace was put into operation, which does use oxygen for its operation.

Nitrogen	2018	2019	2020
Consumption (t)	1,572	1,291	1,347
Relative consumption (t/ t)	0.027	0.024	0.021

The specific consumption of nitrogen has been reduced compared to 2019. The actions carried out to improve the fusion processes carried out in 2020 have been effective, probably because it has been possible to reduce the homogenization times of aluminum when add the alloys.

- **Gasoil**

Gasoil is used in small quantities in Befesa Aluminio, S.L. to wet turnings received before drying operations and mainly as fuel for mobile machinery (front loaders and

forklift trucks). Gasoil consumption changes depending on the percentage of humidity of the raw material before drying.

Gasoil	2018	2019	2020
Consumption (GJ)	5,222	5,189	4.489
Relative consumption (GJ/ t)	0.089	0.098	0.070

Note: the conversion factor from tons of diesel to GJ is 43.00. The density of diesel is 0.84 Kg / L.

As can be seen in the table, the specific consumption of diesel in 2020 has decreased greatly compared to 2019. The reported data corresponds only to the consumption of diesel associated with the consumption belonging to mobile machinery, without taking into account the one used for drying the chips. Diesel consumption in the dryers has been 10,586 GJ in 2020 (0.165 GJ / T treated chips) and in 2019 it was 12,261 GJ (0.238 GJ / t treated chips).

8.4 Water consumption

The plant of Les Franqueses del Vallés is supplied with water from two sources, municipal supply and supply of three duly legalized wells. The main uses to which the water is destined are the following:

- Cooling water: Evaporated water in the cooling systems, auto-cleaning operations of sand filters used to regulate the quality of the water, reverse osmosis to reduce the conductivity of fresh water and water for industrial boilers.
- Domestic water: Toilets and changing rooms.
- General cleaning: Cleaning under pressure.

- Irrigation and fire-fighting systems.

Water coming from wells is used mainly for cooling the molten metal poured in the aluminium ingot manufacturing line. It is recycled through an enclosed circuit where it is cooled in three independent cooling towers to ready it for reuse. Almost 100 % of this water is recirculated (the exception being that used for backwashing the sand filters parallel to the cooling towers). The water consumption figures in the table below thus reflect the amount of water that evaporates during the process described. It is calculated that 90 % of the water used in cooling processes evaporates. Water coming from municipal main network includes the water consumed at offices, the workshop, laboratory, and the changing rooms.

The slat slag cooler is also a water consumer. The slags generated during the production processes are fed to a trommel that, through an external water bath, generates the cooling process. In this case, 100% of the water used in the process evaporates.

The use of water from the network supply is focused on consumption for offices, toilets, staff showers, changing rooms and various cleaning.

The company has a general water meter, meters for each well and several subsidiary meters distributed around the plant that indicate the total amount of incoming water and how much is used by each separate facility or process.

Water	**2018**	**2019**	**2020**
Consumption (m^3)	45,720	35,841	47.253
Relative consumption (m^3/ t)	0.78	0.67	0.74

The relative consumption of water during 2020 has been significantly higher than the previous year. The installation of the salt slag cooler is the main cause of this increase. In addition, during this year the production of smaller-weight ingots and smaller packaging has increased, lengthening casting times.

8.5 Waste management

Throughout 2020, a total of 32,655 t of hazardous waste and a total of 1,053 t of non-hazardous waste have been generated. The evolution of the waste generated and managed, most representative of the activity carried out over the last 3 years, is shown in the following table:

Waste managed	2018	2019	2020
Total generation of waste (t)	37,982	23,000	33,708
Relative generation of waste (t / t)	0.65	0.43	0.53
Total generation of hazardous waste (t)	36,883	21,766	32,655
Relative generation of hazardous waste (t / t)	0,63	0,41	0.51
Salt slag produced (t)	35,847	20,861	30,443
Ratio of salt slag to end product (t/ t)	0.612	0.393	0.474
Filter dust produced (t)	1,027	888	2,193
Ratio of filter dust to end product (t/ t)	0.018	0.017	0.034
Aluminium dross produced (t) (*)	2,400	5,275	4,700
Ratio of aluminium dross to end product (t/ t) (*)	0.041	0.099	0.073
Filter bags produced (t)	3,137	2.06	3.38
Ratio of filter bags to end product (t/ t)	5.35×10^{-5}	3.87×10^{-5}	5.27×10^{-5}
Uralite generation (t)	--	--	13.8
Relative Uralite generation (t/ t)	--	--	0.0002

(*) estimated figure.

The specific amounts of filter dust generated are increasing, due to the increased suction installed throughout the foundry (new filter).

Regarding salt slag, we can say that there is an increase compared to the previous year's values, because of the installation of the tilting rotary kiln.

Regarding the filter sleeves, their generation has increased compared to the previous year due to the maintenance carried out on the existing filters in the plant.

8.6 Impact on the biodiversity

The total surface of our facilities is 20,275 m2, of which 13,307 m2 are built. The total sealed area equals the total land use. The total area in the center oriented according to nature is equal to zero, as is the total area outside the center oriented according to nature.

There is no impact on biodiversity since the land is not included or close enough to have an environmental impact on any protected area. Considering that the occupied surface has not changed in the last 3 years, the relative occupation of land per ton of manufactured product is the one represented below:

Land area	2018	2019	2020
Relative land area (m^2/ t)	0.23	0.25	0.21

8.7 Emission of pollutants into the atmosphere

8.7.1 Greenhouse gases (GHGs)

Since 2008 Befesa Aluminio, S.L. has implemented an inventory of global GHG emissions for the three centers that make up the aluminium business line (Erandio, Les Franqueses del Vallés and Bernburg plants). In it, both direct and indirect emissions are calculated, following the methodology indicated in the ISO 14064 standard. An independent verification report of said inventory is available.

Direct emissions are defined as those associated with those sources that are under the control of society, such as emissions from the combustion process in furnaces, emissions from machinery or vehicles, emissions from process equipment and fugitive emissions from equipment and facilities. The direct and indirect emissions of the last three years are shown in the following table:

GHG emissions	2018	2019	2020
Annual total for direct emissions (t CO_2 eq)	45,158.7	46,377.7	41,513.5
Relative annual total for direct emissions (t CO_2 eq/ t)	0.2594	0.2642	0.2381
Annual total for indirect emissions (t CO_2 eq)	4,602.4	5,895.2	4,501.62
Relative annual total for indirect emissions (t CO_2 eq/ t)	0.026	0.034	0.026

(*) Data corresponding to the 3 Befesa Aluminio, SL centers.

8.7.2 Emissions of other pollutants into atmosphere

The total emissions of NOx and particulates, as well as the total emissions, of HCl and PCCD / F, corresponding to the last 3 years in absolute and specific values per

ton of product manufactured, are shown in the following table. In none of the smokestacks CH4, HFC, PFC or SF6 is emitted.

Emissions of other pollutants	2018	2019	2020
NO_x emissions (t)	27.49	13.32	56.63
NO_x relative emissions (kg/ t)	0.47	0.25	0.88
Solid particles emissions (t)	9.47	5.88	1.38
Solid particles relative emissions (kg/ t)	0.16	0.11	0.02
HCl emissions (t)	713.691	33.042	125
HCl relative emissions (kg/ t)	0.0122	0.0006	0.0019
PCCD/F emissions (ng)	12.69	3.19	19.12
PCCD/F relative emissions (ng/ t)	0.0002	0.00006	0.00030

8.8 Environmental performance regarding legal provisions

8.8.1 Emission smokestacks

The following tables show the values measured during the last years in all the smokestacks present in the facilities according to the periodicity established in the

Integrated Environmental Authorization, as well as their comparison with the maximum permitted limit values.

- **Unified filter in foundry**

This source eliminates the purified gases from the following facilities:

- **Tilting rotary furnace.** Rotary type furnaces use natural gas and oxygen as fuel for melting materials and adjusting process temperatures. The capture systems are constituted in a first step by a cooling system to reduce the temperature of the gases coming from the combustion process. In a second step, the cooled combustion gases are led through a bag filter where, in addition to retaining the solid particles in suspension, the acid gas neutralization treatment is carried out through the controlled addition of calcium hydroxide.

- **Vortex furnace.** The vortex furnace is a static melting furnace for melting aluminum chips with an electromechanical recirculation pump and heated by regenerative burners. These reduce fuel consumption by preheating the combustion air. The combustion gases generated are sent to the unified filter.

- **Holding furnaces.** Tilting holding furnaces also use a mixture of natural gas and oxygen as fuel. The combustion gases produced in the combustion chambers of the tilting furnaces are conveyed to the unified smelter filter.

- Salt slag cooler. The cooler consists of a rotating drum or trommel externally cooled by its central zone located between two transit layers. The drive is by chain transmission using an electric motor-reducer. Water cooling occurs in two cycles, the charge / cool cycle, and the discharge cycle. Both cycles have the aspiration of the fumes that are conveyed to the unified filter.

Smokestack identification	Number of registration	Contaminant	Limits as per integrated environmental authorization B1CS160297 and no substantial change B1CNS180276).	Values for the last measurements in 2020 - 21
Unified filter	NR-024356-P	PST (mg/ m3N):	5	1
		NOx (mg/ m3N):	450	27
		COVT (mg/ m3N):	30	16
		CO (mg / m3N):	100	14
		PCCD/F (ng EQT-I/Nm3):	0.1000	0.0121
		HCl (mg/ m3N):	30	0.28
		HF (mg/ m3N):	1	0.2
		Hg (mg/ m3N):	0.05	0.0002
		Cl2 (mg/ m3N):	1	<0.09

- **Laboratory furnaces**

The installation of laboratory furnaces consists of 3 crucible furnaces of reduced size, which are used in the characterization of the raw materials received. The associated purification system is constituted by a bag filter in which the solid particles are retained. Since January 2021, this focus is unified with the shaving dryer No. 1 + drying area

Hotspot identification	Number of registration	Limits as per integrated environmental authorization B1CS160297 and no substantial change B1CNS180276).	Values for the last measurements 2020
Laboratory furnaces	NR-17274-P	Solid particles: 50 mg/Nm3	1
		CO: 100 mg/Nm3	< 3
		NO_x: 450 mg/Nm3	< 6

- **Turning's dryers**

The turning drying system is compound by two dryers (nº 1 and nº 2). Dryers use a blend of natural gas and oxygen to dry materials and adjust process temperatures. The first part of the treatment systems comprises a cooler which brings down the temperature of the fumes from the drying process. In the second part, the cooled fumes are sent through a bag filter where solid particles are retained. The environmental capture and the chip loads are conveyed to the dryer filter 1, as well as laboratory furnaces since January 2021

Hotspot identification	Number of registration	Limits as per integrated environmental authorization B1CS160297 and no substantial change B1CNS180276).	Values for the last measurements 2019* and 2020
Dryer nº 1	NR-5374-P	PST (mg/ m^3N): 5	1
		COVT (mg/ m^3N): 30	21
		PCCD/F (ng EQT-I/Nm3): 0,01	0.01
		NO_x (mg/ m^3N): 450	5*
		SO2 (mg/ m^3N): 180	1,33*

Dryer nº 2	NR-29351-P	PST (mg/ m^3N): 5	1
		NO_x (mg/ m^3N): 450	4.67*
		PCCD/F (ng EQT-I/Nm3): 0,01	0.04
		COVT (mg/ m^3N): 30	23
		SO2 (mg/ m^3N): 180	1.33*

8.8.2 Emissions discharge into the sewer

The water outlets from the plant are grouped by water type as follows:

- Industrial water

  This is water from the semi-enclosed cooling circuits (occasional back-wash bleeds to clean cooling tower filter) and run-off water collected in the plant.

- Domestic water

  This is from the sanitary facilities in the offices and changing rooms.

The company has a single point of discharge of more sanitary industrial water, which discharges directly into the municipal sewer. The global calculation of the discharge waters during the year 2020 reaches the value of 11,292 m3.

Befesa Aluminio, S.L. has an authorization to discharge, granted by the Consorcio

del rio Besos on 30th of October 2006 and validated on 15th of September 2007. This authorization has to be renewed every year (next 30th September 2019). In this authorization, some limits are defined:

- Conductivity < 8,000 uS/ cm
- Chlorides < 2,500 mg/ L

A continuous control of the conductivity of the water of the cooling circuit is carried out, thus ensuring the characteristics of the water discharged in the periodic purges of the circuit. In addition, a monthly water analysis of the circuit for the microbiological control of Legionella is carried out.

The following table shows the values obtained in the last three control analyses of wastewater discharges.

Parameters	Limits	Average values of discharge		
		2017	2019	2021
Conductivity at 20ºC	8,000 uS/ cm	664	6,110	6,580
Chlorides	2,500 mg/ L Cl	-	1,015	150
Solid particles	750 mg/ L	55	34	<10
No decanted DQO	1,500 mg/ L O_2	89	355	43
Decanted DQO	1,500 mg/ L O_2	-	277	41

Inhibiting materials	50 Equitox/ m^3	< 2.0	< 2.0	<2
Total phosphorus	50 mg/ L P	4.46	< 4.0	<9.2
Ammonia	-	< 5	29.5	<10
Aluminium	20 mg/ L	< 0.5	-	-

The data for 2017 reported in the table have been provided by the Consortium of Besos and as can be seen, none of the parameters analyzed exceeds the limit values established by it. The results for 2019 and 2021 (March) correspond to tests carried out by the Anabiol laboratory, with ENAC accreditation, and the results are also within the legal limit.

8.8.3 Other environmental performance indicators

The factory makes a periodic control of its external noise as a consequence of its activity. With the entire process of replacing the furnaces, unification of focus in the foundry and construction of the slag treatment plant completed, a regulatory control has been carried out, specifically in March 2020. The report obtained from this control verifies the compliance with current applicable regulations on noise pollution, that is, the company does not exceed the quality objectives in daytime or nighttime periods established in the applicable Municipal Ordinance, thus also complying with Decree 176/2009.

Environmental noise measurements 2020		
Immission limit level db (A)	**Daytime**	**Nighttime**
	75	**65**
Point 1	70	50
Point 2	69	53
Point 3	65	53
Point 4	61	54
Point 5	58	52

9. Environmental targets 2021

To comply with the commitment of continuous improvement in environmental action in accordance with what is established in the environmental policy and in terms of the environmental aspects identified as significant, environmental objectives are defined for the 2021 period, which are the following:

- To reduce by 2% the emissions of greenhouse gases associated with the production of secondary aluminium.
- To reduce total atmospheric emissions by 2% in chimney.
- To reduce by 2% the total consumption of natural gas used in the activity associated with the company's production processes.
- To reduce by 2% the total consumption of natural gas used in the activity associated with the company's chip treatment processes.
- To reduce by 2% the electricity consumption used during the activity associated with the production processes of the company.
- To reduce by 2% the consumption of diesel used during the activity associated with the production processes of the company.
- To reduce by 2% the oxygen consumption used during the activity associated with the company's production processes.

- To reduce the consumption of flux used by 2% during the activity associated with the company's production processes.

- To reduce by 2% the generation of salt slag generated during the activity associated with the company's production processes.

- To reduce the generation of filter dust by 2%.

10. Applicable environmental legislation

Befesa Aluminio, S.L. is part of sectoral associations that, monthly, identify, supply, and update legal texts. With this information, the new requirements or their modifications are extracted, and the own legislative database is updated, with the particular requirements applicable to the company. Also, Befesa Aluminio, S.L. performs a continuous verification of compliance with its legal requirements, confirming the nonexistence of any breach of environmental and / or industrial safety.

Below is a list of the most relevant applicable environmental legislation:

- Integrated environmental authorization BA2030044 awarded on 1st December 2004 by the Catalan Government Environment Office for the activity of non-ferric metals recovery with capacity > 20 t/day of aluminium. The authorization BA2060085 awarded on 22nd September 2008, including a non-substantial change and the punctual modification of the annex of integrated environment authorization BA2030044 awarded on 29th April 2008.

- Renewal of the environmental authorization, with number BA20120011 and date of December 11, 2012, as well as the non-substantial changes authorized with B1CNS130394 and B1CNS140191 files. After the favorable resolution of incorporation of the activated carbon dispenser in the focus number 2 (B1CNS140191 and date of July 21, 2014), and the satisfactory results of the PCCD / F emissions in it, the resolution has also been granted with number B1CNS130394 and date of March 10, 2015, of expansion of waste treatment capacity.

- Resolution of substantial change number B1CS160297 dated October 10, 2017, approving the increase in production capacity.

- Resolution of non-substantial change B1CNC180276 dated November 9, 2020, by which the production of non-hazardous waste is increased, two furnaces are replaced, a slag treatment plant is incorporated, and the pollutant emission sources are unified to the foundry atmosphere.

- Resolution of non-substantial change B1CNC200584 dated April 7, 2021, by which an emission source is eliminated, the capacity of auxiliary raw materials is increased, and the production of non-hazardous waste is increased.

- Legislation of water discharge (Articles 24, 26, 29, 38 and 49) to award discharge authorization.

- RD 252/2066 of 3rd March in which objectives for the recycling and valorization established in law 11/1997 of 24th April for containers and containers wastes are

revised and modifying the Regulation for its execution, approved by RD 782/1998, of April 30th.

- Law 22/2011 of wastes and contaminated floors, in relation to producers and recovery factories of wastes.

- Industrial Safety Legislation (fighting systems, oil installations, high voltage, pressure vessels, etc.).

- Legionella control associated to cooling systems to produce solid aluminium alloys.

- European Agreement for the international road transport of dangerous goods. The organization has a security adviser, who issues the annual report to the corresponding Department.

11. Cooperation with environmental organizations

Befesa Aluminio, S.L. belongs and actively participates in the following associations related to the environment:

- ACLIMA (Basque Environment Industry Cluster Association). The company has signed up to the Commitment to Sustainable Development (1999) and the Declaration of Bizkaia on the Right to the Environment (1999).

- ASERAL (Spanish Aluminium Recovery Association).

- Confemetal (Spanish Confederation of Metal Industry Organizations). The company is an active member of the Environment Committee of this organization.

- EEA (Organization of the European Aluminium Recycling Industry).

- ASEGRE (Spanish Association of Special Waste Managers): This association brings together hazardous waste managers based in Spain.

- Technical Committee of AENOR.

Befesa Aluminio, S.L. participates regularly in R + D + I program with different research centers and other European companies mainly aimed at improving the recycling, evaluation and full use of the waste of the aluminium industry.

12. Participation

Befesa Aluminio, S.L. enhances the participation of all its workers in the determination of key environmental processes. To do so, it facilitates ways of communicating problems and suggestions for improvement, while at the same time employing the Company Committee established for participation and direct communication with all the members of the company.

13. Availability

This environmental declaration is accessible via the corporate website (www.befesa.es).

14. Next environmental declaration

This environmental statement is intended to inform employees, authorities, customers, suppliers, media and neighbors about our management policy and also to propose a constructive dialogue.

It is a public document validated by Bureau Veritas Iberia, S.L., environmental verifier accredited by ENAC with the number ES-V-0003 and domiciled in the street Valportillo first 22-24 mahogany building- 28108- Alcobendas (Madrid).

The environmental statement that is now presented is valid for 12 months, with the following declaration validated in July 2022. If you want to know more details about Befesa Aluminio, S.L. and its products, see our page www.befesa.es. If you would like additional information in the future, please do not hesitate to contact Mr. Manel Arco Alcaraz at:

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Glossary:

kg: kilogram.

Si: silicon.

Cu: cooper.

Mg: magnesium.

mm: millimeters.

t: ton.

t CO_2 eq: CO_2 equivalent tons.

MWh: megawatt per hour.

m^3: cubic meter.

HCl: hydrochloric acid.

HF: hydrofluoric acid.

NO_x: nitrogen oxides.

SO_2: sulphur dioxide.

SST: solids in suspension.

NH_3: ammonia.

Zn: zinc.

Fe: iron.

g: gram.

NaCl: sodium chloride.

KCl: potassium chloride.

cm^2: square centimeter.

h: hour.

kW: kilowatt.

V: volt.

R&D: research and development.

m^2: square meter.

GHG: greenhouse gases.

mg/ Nm^3: milligram per normal cubic meter.

Pb: lead.

Cr: chromium.

Mn: manganese.

Ni: nickel.

As: arsenic.

Cd: cadmium.

Hg: mercury.