

Befesa Aluminio, S.L.

Erandio plant

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This document constitutes the environmental declaration of Befesa Aluminio, S.L.- Erandio plant corresponding to the year **2024**. It has been made considering the requirements established by the regulations (CE) N° 1221/2009, (CE) N° 1505/2017 and (CE) N° 2026/2018 of the European Commission, concerning the voluntary participation of organizations in a community environmental management and audit system (EMAS) and the Metal DRS relating to the sectoral reference document on best environmental management practices, environmental performance indicators and comparative parameters of excellence for the metal products manufacturing sector.

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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 and in 2018 the Regulation nº 2026/2018 that modifies Annex IV in which the main points to be included in the EMAS environmental declaration are defined.

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 an 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, 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. Design, development and installation of equipment and technology for the aluminium industry. 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 aluminum refineries 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. maintains with groups and companies of worldwide recognition and the use of the knowledge acquired has contributed to Befesa Aluminio, S.L. being 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 direct and indirect environmental aspects throughout the life cycle of the manufactured product.
- 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 end of the year **2024** without detecting the need for changes to 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 that people are the main and key factors for our business and for this reason we train them and provide them with the capacity to act in the areas of Quality, Safety, Environment and Energy Management, treating them with respect and fairness and providing continuous support to personnel affected by health problems.

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 for 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 ensure that absences due to illness are managed responsibly, consistently and fairly, promoting and developing a positive culture of attendance at work through proper management and control of absenteeism.

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 established 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.

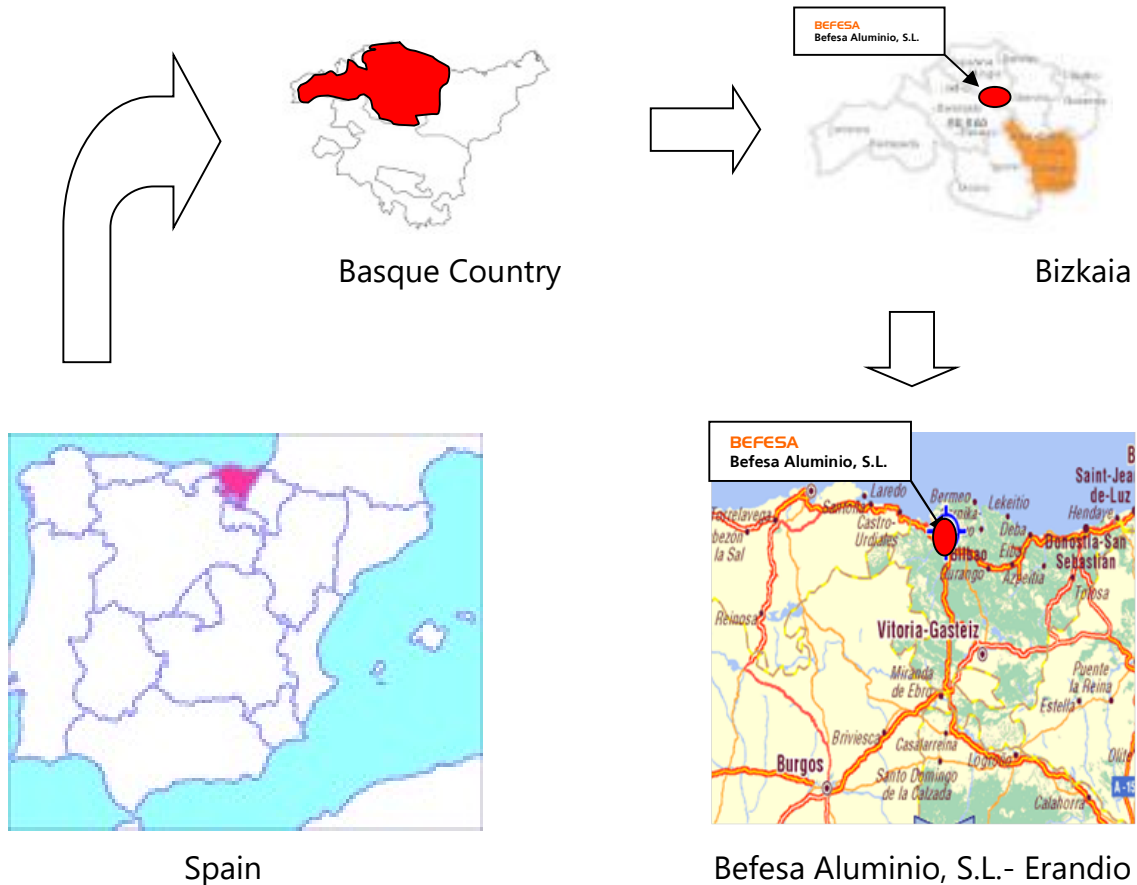
Erandio, September 2021

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.

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.- Erandio plant



The Befesa Aluminio S.L. plant in Erandio makes the following products:

- * 10 kg ingots of aluminium and aluminium alloys for molding.
- * 1,000 kg ingots for remelting.
- * Aluminium in liquid form.

The Erandio plant also builds and develops its own in-house technology for recycling aluminium in all phases and has built turnkey facilities in over 40 countries all around the world.

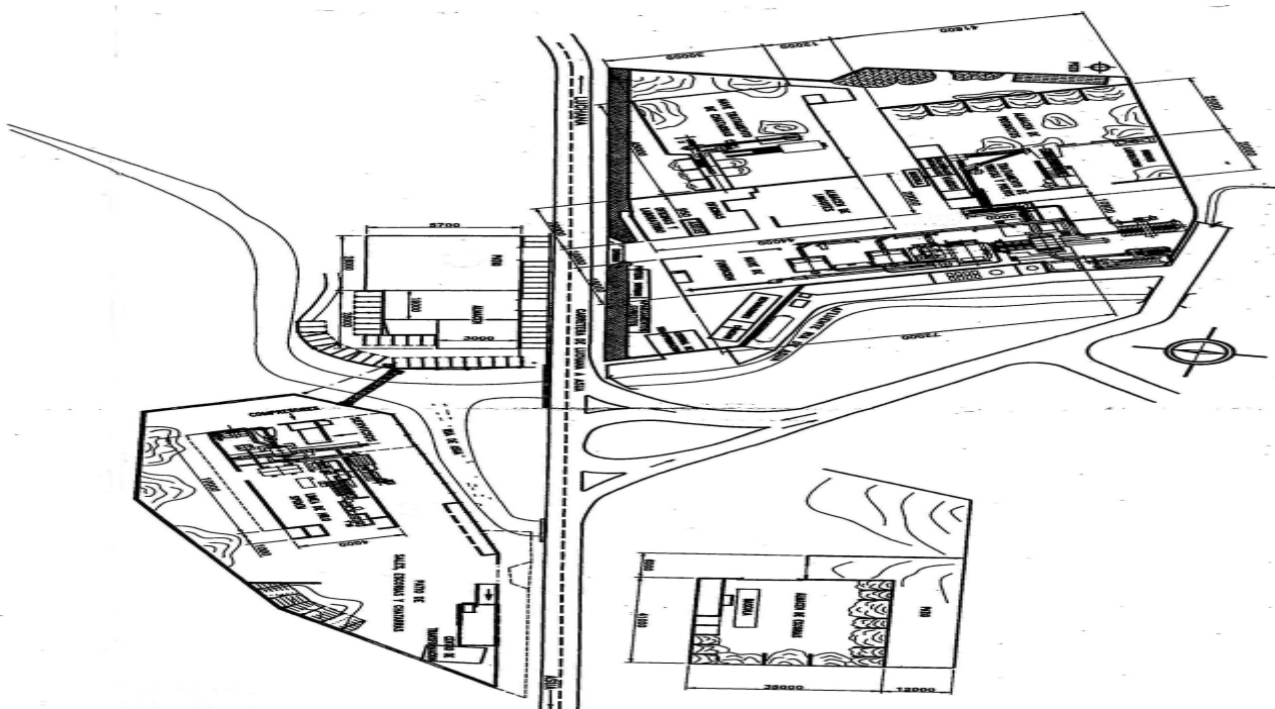


Illustration 1: Layout of the facilities at the Erandio plant.

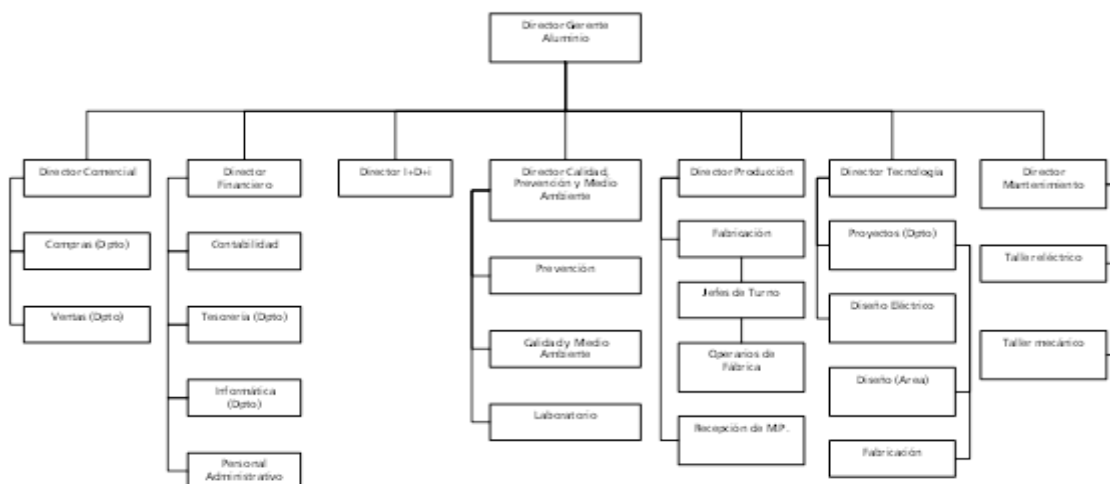


Illustration 2: Organization chart of Erandio plant.

The recycling and recovery process developed at the Erandio plant consists of two main processes: one of initial fusion of the materials in rotary furnaces and another of refining the final product in holding furnaces. Both these processes are carried out using equipment classified as BAT (Best Available Technology) in the European Commission's Reference Document on Best Available Technologies for non-ferrous metallurgy.

The first step in the production process is the correct selection of the right raw materials. These include offcuts, cables, sumps, pans, cans, foil, chippings, shavings and aluminium industry scrap and waste in general. These raw materials, once selected, are melted in the appropriate proportion to obtain the specification requested by the final customer, using for this purpose rotary furnaces to which certain amounts of salt are added as flux and protector of the molten aluminum. It should be mentioned in this section that during the year 2018 the company has addressed a relevant investment project with the replacement of the fixed rotary furnace with a new tilting rotary furnace of 65 tons of productive capacity.

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. It is this last feature that distinguishes rotary furnaces 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 smelting process are evacuated through separate purification systems, consisting of bag filters, where the solid particles are retained and where the acid combustion gases neutralization treatment is carried out at the same time by the controlled addition of lime and active carbon.

In addition to replacing the fixed rotary furnace, during 2018 the company consolidated the smokestacks corresponding to the combustion of the rotary furnace No. 1, the combustion of the holding furnaces and the loading of the holding furnaces, reducing the total number of stacks present in the company from 5 initial stacks to 3 final ones.

All the salt slag obtained because of the use of salt during the described fusion process, is completely recycled and recovered inside Befesa company, generating an aluminium oxide (paval) that has various applications in multiple industrial sectors (cement industry, ceramic industry, insulation industry, etc.), definitively closing the circle of recovery of the aluminium waste described.

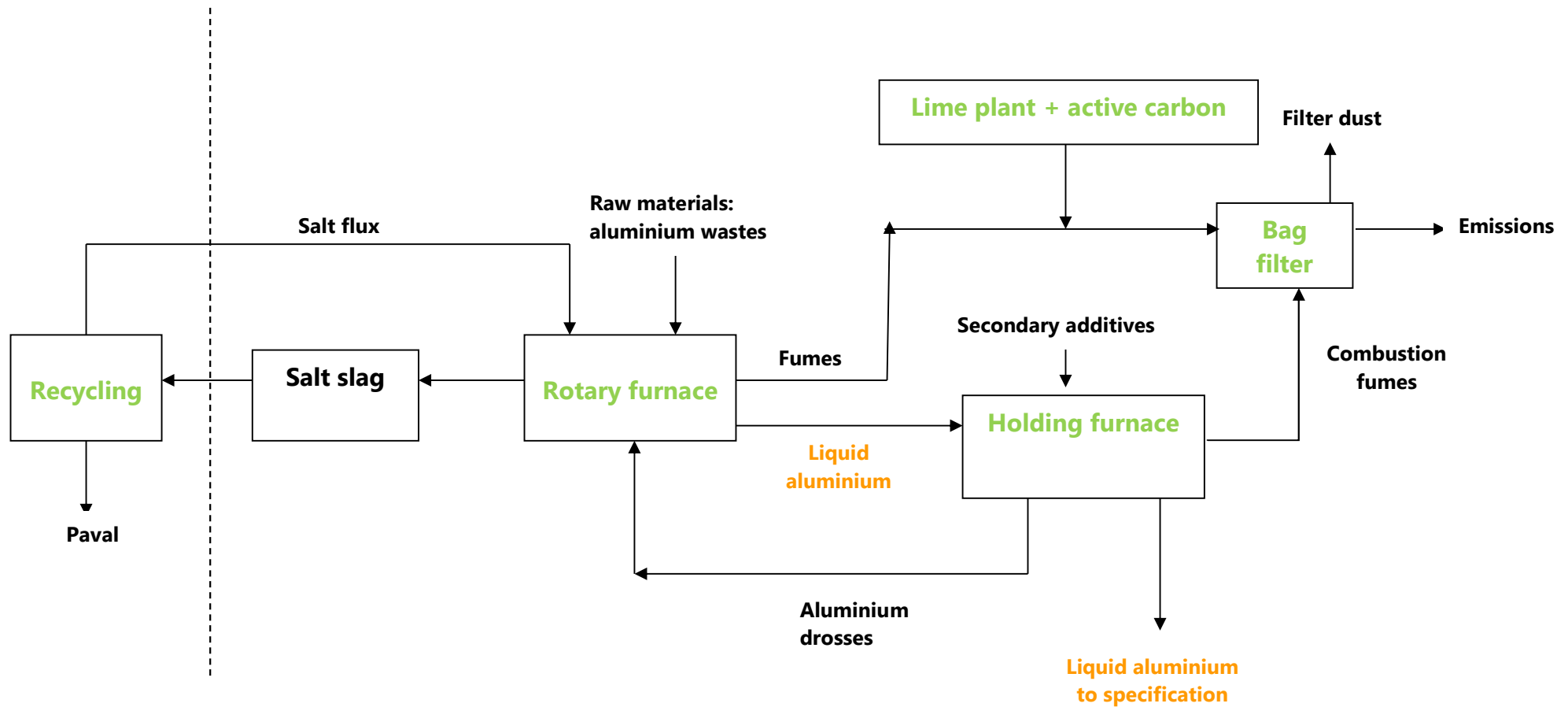


Illustration 3: Flow diagram of the process for obtaining aluminium in liquid form.

The raw materials, once melted in the rotary furnaces, are transferred in a second phase to the holding type furnaces, where the liquid aluminum is definitively adjusted to the requested specifications by means of fusion of additional elements such as Si, Cu or Mg. The holding furnaces are appropriate for this final phase of production since they provide metal at rest and that is adjusted in its quality parameters under controlled thermal conditions.

Once the metal has been skimmed and the temperature adjusted, the casting operation is carried out. Depending on the final product requested, the liquid aluminum is routed to the installation of liquid aluminum for road transport or to the casting wheel for the casting of ingots. The casting wheels are in turn made up of a chain of ingot molds that allow, with total reliability and high production sequence, the obtaining of high-quality surface ingots. The ingots are cooled, turned over and transported to the layered stacking machine, in which the formation of the stacks is completely automatic, by means of the use of a powerful computer that allows them to obtain different formats of packages according to the requirements of the customers.

The water used during the cooling process is recirculated through cooling systems that consist of the corresponding filtering system in parallel. The waters coming from the purge of cleaning of the filtering systems previously referenced, are homogenized with the runoff waters, generating a single point of discharge to municipal sewer, that complies with all the limits imposed in the corresponding integrated environmental authorization.

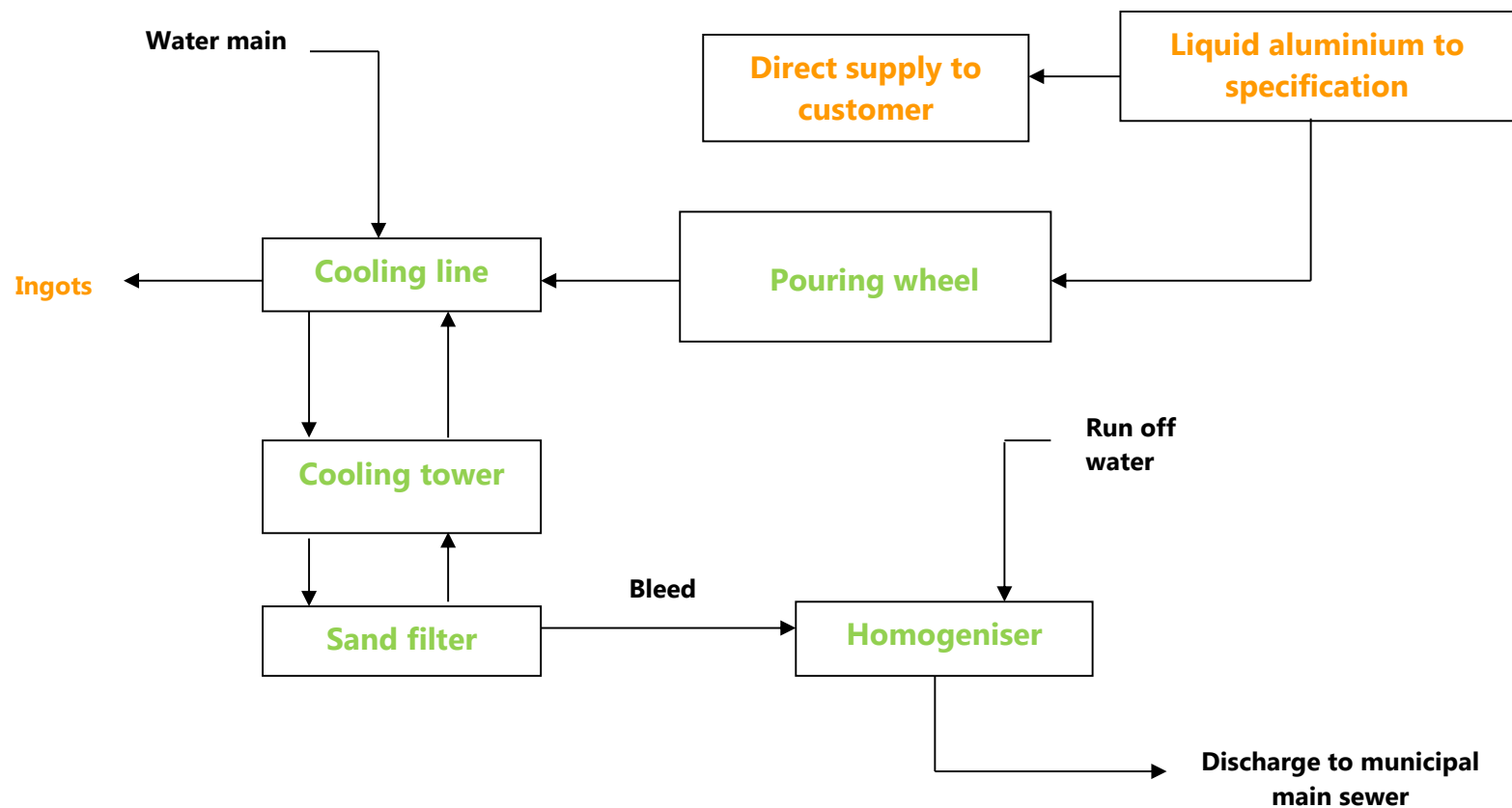


Illustration 4: Flow diagram of the ingot and liquid aluminium manufacturing process.

The company has two production lines, with the total average production of finished products in recent years (2022/2024) at 46,154 t (see page 31), with approximately 50% of its market being foundries in the Basque Country, 20% in the national market and 30% 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 of the same 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 since 1995.

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 an ISO 14001 environmental management system in 1999, which was subsequently verified according to the European EMAS regulation in 2004 with the registration number ES-EU-000023 and finally fulfilled with the ISO 14064 certification for Greenhouse Gas inventory, achieved for the first time in 2008 and the ISO 50001 energy management system certification achieved for the first time in 2016.

5. Representative environmental aspects of Erandio's plant

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

A) Emissions into the atmosphere

The company had 3 different smokestacks associated with the facilities that were part of the production process. These 3 stacks corresponded to the combustion of rotary no. 1 and associated holding furnaces, combustion of rotary no. 2 and associated holding furnaces and combustion of laboratory furnaces.

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.

To ensure the proper functioning of the purification systems, 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 at the plant level are defined. to detect any anomaly, as well as the establishment of appropriate corrective actions.

B) Waste production

The company holds an integrated environmental authorization, which includes the previous hazardous and inert waste producer and recycler permit (EU/1/4-97).

- **Hazardous waste**

The main hazardous waste produced by the company are the following:

- Salt slag: because of the use of salts (CINa, ClK) in the form of flux to prevent unwanted oxidation of liquid aluminum inside the furnaces in contact with the atmosphere. Mentioned salt slag is totally recycled in what constitutes a fully integrated process of aluminum waste treatment within the Befesa business group, giving rise to a new salt capable of being used in new production processes and an inert waste rich in aluminum oxide, called paval, which has countless applications in the industry.
- Filter dust: because of the treatment of combustion gases through the purification systems present in the factory. They are stored under cover in big bags or silos until their final shipment to an authorized agent.
- Aluminium dross: because of the oxidation process of the aluminum inside the holding furnaces. They are used as raw material in new production processes due to the corresponding self-management authorization for this type of material.
- Filter bags: as constituents of the combustion gas purification systems. Damaged bags are replaced and self-managed by the company itself when counting the company with the corresponding permit.
- Used oils: from the maintenance operations of the facilities and machinery, they are stored in duly identified and dated drums awaiting their shipment to an authorized manager.
- Empty metallic and plastic containers: containers that contain paints, solvents, oils, etc. They are stored in perfectly identified and dated cages for shipment to an authorized manager.

- Industrial sprays: because of the use of sprays in the process of identifying the stacks of finished product ingots. They are stored in perfectly identified and dated big bags waiting to be sent to an authorized manager.
- Absorbents, rags, and contaminated clothing: from maintenance operations, they are stored in properly identified and dated drums until their final shipment to an authorized manager.
- Used batteries: dry mercury batteries / button cells, coming from calculators and watches, as well as saline and alkaline batteries that are selectively collected.
- Luminaires: lighting lamps from maintenance operations (breakage, cast lamps, etc.). They are stored in a properly identified container.

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

- **Inert wastes**

The industrial inert waste produced in the plant is basically coming from the repairs, reforms or improvements that comply with the aforementioned definition. It is managed as follows:

- Scrap: It is available in a container enabled for this purpose. When this is full capacity, it is notified to a company dedicated to the removal of this type of materials.
- Refractory bricks, wood, plastics and rubbers: The refractory used is generated because of the maintenance of the coating of the rotary and holding type melting furnaces. On the other hand, wood, plastics and rubber

appear because of civil work carried out in the company. This type of waste is managed properly.

C) Depletion of natural resources

The company's integrated management system includes a method for identifying, monitoring and controlling the resources used during the manufacturing processes, being the most representative ones, oxygen, nitrogen, natural gas, electricity, water, raw materials and fluxes.

6. Significant environmental aspects of Erandio's plant

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

Considering the criteria of severity and probability previously referenced and after applying the rest of the criteria applied by the company in the process of internal evaluation of all its environmental impacts, the direct impacts defined as significant for the year 2024 are summarized below:

- Confined emission of SO₂, NO_x, HCl, HF, heavy metals and particles, because of the routine operation of fusion of materials in rotary, holding and laboratory furnaces which are associated with the potentially air pollution environmental aspect.
- Generation of sewage sludge because of stormwater and industrial water collection operations and/or cooling tower cleaning, the associated aspect of which is potential contamination by inert waste.
- Lime consumption, because of the neutralization operations of combustion gases and whose associated aspect is the disappearance of natural resources.
- Diesel consumption, used for the movement of forklift trucks and payloaders and whose associated aspect is the disappearance of natural resources.

For all the impacts classified as significant, Befesa Aluminio, S.L. establishes 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 [2024](#), 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 suppliers.

7. Outline of environmental targets and goals 2024

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 definition of human and material resources.

Below is a table showing the degree of achievement of the objectives established in 2024, as well as a summary of the causes that justify this degree of compliance:

Aspect	Goal	Expected value	Result
CO ₂ emissions	To reduce greenhouse gas emissions associated with the production of secondary aluminum by 500 tons of CO ₂ eq.	-500	- 4,160
Natural gas consumption	To decrease by 2% the total consumption of natural gas used in the activity associated with the production processes of the plant	-2 %	- 6.40 %
Salt slag generation	To decrease 2% the generation of salt slag generated during the activity associated with the production processes of the plant	-2 %	- 4.88 %
Electricity consumption	To reduce by 2% the electrical consumption used during the activity associated with the productive processes of the plant	-2 %	- 7.14 %
Fluxes consumption	To reduce by 2% the consumption of flux used during the activity associated with the productive processes of the plant	-2 %	- 0.00 %
Total emissions generation	To reduce total emissions confined in the chimney by 2%.	-2 %	+ 101.56 %
Generation of pollutants	To reduce the pollutant load from wastewater discharges by 2%.	-2 %	- 52.85 %

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- **To reduce greenhouse gas emissions associated with the production of secondary aluminum by 500 tons of CO2 eq.**

At the beginning of 2024, a joint objective of minimizing GHG emissions was defined for the centers that make up Befesa Aluminio, S.L. This objective was associated with the relevant direct and indirect emission sources that are contemplated in the company's inventory. If we look at the relative total emissions per ton of aluminum produced, It can be seen that they have decreased in this last year of activity 2024 (0.8661 tn CO2 eq/tn Al) compared to those inventoried in 2023 (0.8904 tn CO2 eq/tn Al), mainly due to the significant decrease observed in indirect emissions as a consequence of the quality of the raw materials used (less demanding alloying elements for obtaining the manufactured alloys) and the type of final alloys supplied. Considering that total production in 2024 reaches values of 171,178 tons, this means that the company has reduced its emissions by a total of 4,160 tn CO2 eq, which means achieving the target reduction expected for the year.

- **To decrease by 2% the total consumption of natural gas used in the activity associated with the production processes of the plant.**

The relative natural gas consumption has improved significantly in 2024 (0.9215 MWh/t), compared to the values achieved in 2023 (0.9845 MWh/t) thanks to the proper management of all the main and auxiliary facilities that consume natural gas, as well as a positive impact from the implementation of the actions that were part of the 2024 energy plan. All this has meant that relative gas consumption during 2024 improved by 6.40%, meeting the initially set objective.

- **To decrease 2% the generation of salt slag generated during the activity associated with the production processes of the plant.**

The objective of reducing the generation of salt slag has been achieved, mainly due to the use of less powdery raw materials and with an acceptable metallic yield throughout 2024. The relative value of salt slag in 2024 was 0.78 t/t, which improves the value obtained in 2023 of 0.82 t/t.

- **To reduce by 2% the electrical consumption used during the activity associated with the productive processes of the plant.**

The relative electricity consumption during 2024 (0.078 MWh/t) has improved compared to the values obtained in 2023 (0.084 MWh/t), thanks to the proper management of all the main and auxiliary electricity-consuming facilities, as well as a positive impact from the implementation of the actions that were part of the 2024 energy plan. All this has meant that relative electricity consumption during 2024 improved by 7.14%, meeting the initially set objective.

- **To reduce by 2% the consumption of flux used during the activity associated with the productive processes of the plant.**

The relative consumption of fluxing salt has remained stable in 2024 (0.25 t/t) compared to 2023 (0.25 t/t). The reduction target has not been achieved, mainly due to the characteristics of the raw materials used, which have maintained the demand for fluxing agents in rotary kiln combustion processes.

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- **To reduce total chimney emissions by 2%.**

Total emissions from all sources present in the facilities, considering the pollutants HCl, HF, NO_x, SO₂ and solid particles, have reached a value of 1.29 kg/t throughout 2024 compared to 0.64 kg/t in 2023. The objective has not been achieved, although all the measured parameters have fully complied with all the limits imposed by the company's Integrated Environmental Authorization.

- **To reduce the pollutant load of wastewater discharges by 2%.**

The pollutant load of all discharged waters, considering the pollutants Total Solids, Nitrogen, Cu, Fe and Zn, has reached a value of 0.0116 kg/t throughout 2024 compared to 0.0246 kg/t in 2023. The objective has been achieved, fully complying with all the limits imposed by the company's Integrated Environmental Authorization.

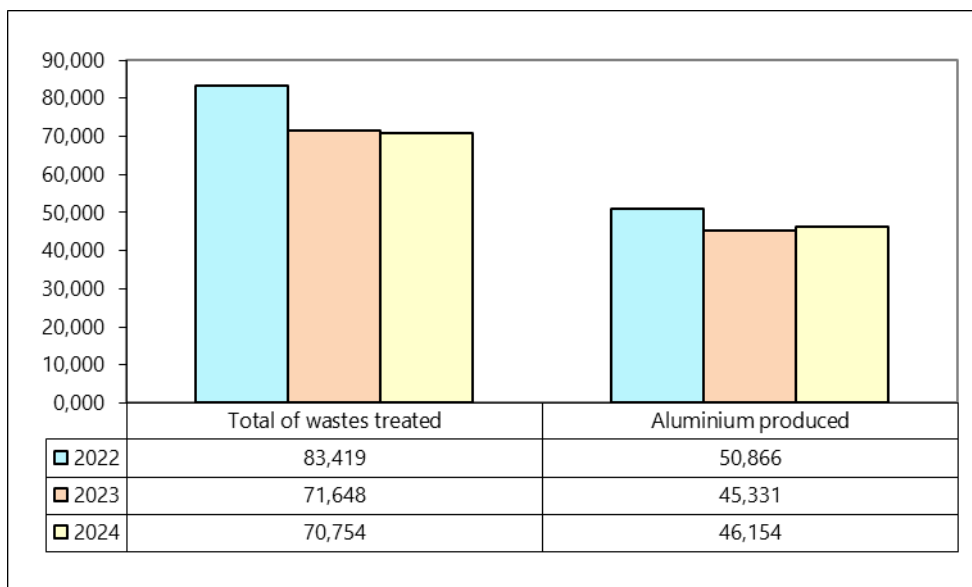
8. Environmental performance of the company

The following sections reflect the environmental performance of the company:

8.1 Aluminium waste recycling for aluminium recovery

All materials received except the so-called fluxes (NaCl and KCl), 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, scraping 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 treated in the last 3 years, as well as that of secondary aluminium obtained because of the recycling operation carried out, are detailed below.



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 products manufactured) of the main energy resources used in the production process corresponding to the last 3 years are shown below. Throughout the year 2024 there has been a total direct consumption of renewable energies amounting to 8.2 %, corresponding to the renewable part of the total electricity consumed and a total generation of renewable energy equal to 0 Mwh.

Renewable energy consumed	2022	2023	2024
Consume (MWh)	1,163.8	1,250.9	296.1
Relative consume (MWh/ t)	0.023	0.028	0.006

- **Natural gas**

The fuel used is the natural gas used in the smelting and refining processes of the rotary and holding type furnaces. The supply of natural gas is carried out through a regulation and measurement station (ERM) with a capacity of 2,825 m³/h and a distribution pressure of 2,5 kg/ cm². This installation has a document accrediting the start-up date of January 2, 1992.

Natural gas	2022	2023	2024
Consumption (MWh)	49,030.59	44,629.17	42,532.40
Relative consumption (MWh/ t)	0.9639	0.9845	0.9215

Relative natural gas consumption has improved in 2024 (0.9215 MWh/t), compared to the values reached in 2023 (0.9845 MWh/t) due to the proper management of all the main and auxiliary facilities that consume natural gas, as well as a positive impact from the implementation of the actions that were part of the 2024 energy plan.

- **Electricity**

The electricity supply to the facilities is carried out through a transformation center of 2,500 kW with a control and distribution board, which is in a perfectly delimited enclosure, and through a substation of 2,000 kW outdoors, perfectly signposted and isolated from the rest of the plant. There is an energy network at 220 and 380 V throughout the factory.

Electricity	2022	2023	2024
Consumption (MWh)	4,310.5	3,790.6	3,611.4
Relative consumption (MWh/ t)	0.085	0.084	0.078

Electricity consumption per ton of manufactured products decreased in 2024, due to the proper management of all the main and auxiliary electricity-consuming facilities, as well as the positive impact of the implementation of the actions that were part of the 2024 energy plan.

8.3 Secondary materials consumptions

The absolute (t) and relative consumption (amount per unit of manufactured product) of the main secondary materials used in the process production

corresponding to the last 3 years are included in the following points.

- Salt flux**

The fluxing salt is mainly a mixture of NaCl and KCl, which is added to the interior 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 oxidation, 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 inside Befesa, giving rise in turn to an aluminium oxide that has various applications in the industry.

Salt flux	2022	2023	2024
Consumption (t)	11,685	11,508	11,400
Relative consumption (t/ t)	0.22	0.25	0.25

Relative consumption of fluxing salt has remained stable in 2024 compared to the values reported in 2023, mainly due to the characteristics of the raw materials used, which have maintained the demand for fluxing agents in rotary kiln combustion processes.

- Oxygen**

In the facilities there are two oxygen tanks that are owned by a gas supplier. Oxygen is used as an integral part of the fuel used in the melting processes of rotary and holding furnaces. The storage tanks are in a fenced area outside the facilities. There are networks of gas throughout the factory.

Oxygen	2022	2023	2024
Consumption (t)	5,977	6,508	6,508
Relative consumption (t/ t)	0.12	0.14	0.14

Specific oxygen consumption has decreased compared to the data reported in 2023, as oxygen dosage in all the furnaces has been optimized.

- **Diesel**

In Befesa Aluminio, S.L. diesel is used exclusively as a supply for mobile machinery (forklifts and front loaders). The company has two diesel tanks that comply with the provisions of current legislation.

Gasoil	2022	2023	2024
Consumption (GJ)	3,402	2,938	3,566
Relative consumption (GJ/ t)	0.067	0.065	0.077

As can be seen in the table, the specific consumption of diesel in 2024 has increased compared to 2023, mainly due to the characteristics of the raw materials that have required greater movement of mobile equipment in the loading operations of the productive furnaces.

- **Lime and sodium bicarbonate**

Lime is used to treat the acid gases generated during the combustion process (HCl and HF) from rotary and holding furnaces.

Lime	2022	2023	2024
Consumption (t)	88.00	174.00	257.00
Relative consumption (kg/ t)	1.73	3.84	5.57

8.4 Water consumption

The Erandio plant does not perform any pre-treatment of the received water. Nor does the plant take water from any public well, spring or other watercourse. The water used, both in the productive processes and in the supply of the offices, comes entirely from the municipal network of the Bilbao Bizkaia Consortium. The industrial waters that are used for the cooling processes of the casting of liquid metal in the manufacturing lines of aluminium ingots, are recirculated through semi closed circuits in which the waters are cooled and prepared for their reuse through towers of refrigeration. The percentage of recirculation is practically 100% (except the washings in countercurrents of the sand filters in parallel to the cooling towers), providing fresh water as evaporation occurs. It is estimated that 90% of the water used in the cooling process evaporates during these operations.

It is worth mentioning that, as of the second semester of 2018, the company has installed a new demanding water installation, consisting of a salt slag cooler. The slags generated during the productive processes are fed to a trommel that, through an external water bath, generates the cooling process. The water used is also recirculated in closed circuits. On the other hand, the use of office supply water focuses on consumption for offices, workshops, laboratories and changing rooms.

The company has a general meter, as well as partial meters distributed throughout the plant, which allows knowing the total consumption of water entering the factory, as well as partial consumption for each of the facilities or uses.

Water	2022	2023	2024
Consumption (m ³)	52,331	54,569	43,346
Relative consumption (m ³ / t)	1.03	1.20	0.94

Relative water consumption in 2024 was lower than in 2023, mainly due to the type of final product manufactured (less water-intensive) and the optimization of the salt cooling process.

8.5 Waste management

Throughout the year 2024 a total of 37,396 t of hazardous waste has been generated and a total of 439 t of non-hazardous waste. The evolution of the generated and managed hazardous waste most representative of the activity carried out over the last 3 years is shown in the following table:

Waste managed	2022	2023	2024
Total generation of hazardous waste (t)	45,647	39,009	37,396
Relative generation of hazardous waste (t / t)	0.897	0.861	0.810
Salt slag produced (t)	43,865	37,171	35,850
Relative salt slag generation (t/ t)	0.86	0.82	0.78
Filter dust produced (t)	1,774	1,832	1,541
Relative filter dust generation (t/ t)	0.035	0.040	0.033
Aluminium dross produced (t) (*)	1,200	1,025	1,000
Relative aluminium dross generation (t/ t) (*)	0.024	0.023	0.022
Refractory bricks generation and debris (t)	227	249	160
Refractory bricks generation and debris (t / t)	0.004	0.005	0.003
Total waste generation (t)	46,312	39,720	37,835
Relative total waste generation (t/ t)	0.910	0.876	0.820

(*) Estimated figure. All of the aluminium drosses generated as waste were incorporated into the production process

The relative amounts of hazardous and non-hazardous waste generated have decreased, driven by the decrease in the relative generation of salt slag, filter dust, aluminum and refractory slag, and debris.

8.6 Impact on biodiversity

The total occupation of our facilities is 32,614 m² of which 12,675.9 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 0 as well as the total area outside the center oriented according to nature. Considering that the occupied surface built has not changed in the last 3 years, the relative occupation of soil per ton of products manufactured is the one represented below:

Land area	2022	2023	2024
Relative land area (m ² / t)	0.25	0.28	0.27

8.7 Emission of pollutants into the atmosphere

8.7.1 Greenhouse gases (GHGs)

Since 2008, Befesa Aluminio, S.L. has implemented a global GHG emissions inventory for the three centers that make up the aluminium business line (Erandio, Les Franqueses and Bernburg). In it, both direct and indirect emissions are calculated, following the methodology indicated in the current version of the ISO 14064 standard. An independent verification report of the inventory mentioned 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. Indirect emissions are those that are a consequence of the operations and activities of an organization, but that arise from sources that are not owned or controlled by the organization, such as acquisition of raw materials, travel, electricity consumption, etc. The relevant direct and indirect emissions of the last two years (first years verified according to the new version of the ISO 14064 reference) are collected in the following table:

GHG emissions	2022	2023	2024
Annual total for direct emissions (t CO₂ eq)	33,585	34,571	34,289
Relative annual total for direct emissions (t CO₂ eq/ t)	0.2091	0.2093	0.2003
Annual total for indirect emissions (t CO₂ eq)	115,896	112,540	113,969
Relative annual total for indirect emissions (t CO₂ eq/ t)	0.7215	0.6812	0.6658

8.7.2 Emissions of other pollutants into the atmosphere

The total emissions of SO₂, NO_x and particles corresponding to the last years in absolute and specific values per ton of product manufactured are shown in the following table. In none of the smokestacks is CH₄, HFC, PFC, NF₃ or SF₆ emitted:

Emissions of other pollutants	Year	Emissions (t)	Relative emissions (kg/ t))
SO₂	2022	7.16	0.141
	2023	< 7.99	< 0.176
	2024	< 6.89	< 0.149
NO_x	2022	36.85	0.724
	2023	< 20.37	< 0.449
	2024	49.88	1.081
Solid particles	2022	<1.35	< 0.027
	2023	< 0.58	< 0.013
	2024	< 1.62	< 0.035
HCl	2022	0.78	0.015
	2023	< 0.05	< 0.001
	2024	< 1.27	< 0.028
HF	2022	<0.07	< 0.001
	2023	< 0.07	< 0.002
	2024	< 0.07	< 0.002
Heavy metals	2022	--	--
	2023	< 0.072	< 0.0016
	2024	--	--

8.8 Environmental performance regarding legal provisions

8.8.1 Emission-Smokestacks

During the second half of 2018, a substantial modification was made to the existing hot spots at the facility, combining into a single hot spot the hot spots corresponding to rotary furnace No. 1, combustion gases from the reverberatory furnaces, and the loading area of the reverberatory furnaces. Starting in 2019, the hot spots were reduced to a total of three hot spots, corresponding to the combustion hot spot of rotary furnace No. 1 plus associated reverberatory furnaces,

the combustion hot spot of rotary furnace No. 2 plus associated reverberatory furnaces, and the hot spot of the laboratory furnaces.

The following tables show the values measured over the last three years at all sources present in the facilities, as well as their comparison with the maximum permitted limit values established in the Integrated Environmental Authorization.

- **Combustion fumes from rotary furnaces nº 1 and associated holding furnaces**

This source removes the purified gases from rotary furnace No. 1, as well as the combustion gases and emissions produced in the loading area of the holding type furnaces. Rotary and holding type furnaces use natural gas and oxygen as fuel for melting materials and adjusting process temperatures. The collection system is constituted as a first step by a cooling system in charge of reducing 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 by controlled addition of lime.

Parameters		SO ₂	NO _x	HCl	HF	CO	Zn+Pb+ Cr+Cu+ Mn	Ni+As	Cd+Hg	Solid particles	PCDD/P CDF	COT
Limit as per integrated environmental authorization (mg/ Nm ³)		50	300	10	1	500	--	--	--	5	0.5 (*)	30
Average for rotary furnace nº1 and associated holding furnaces (mg/ Nm ³)	2022	6.29	21.18	0.57	0.05	27.45	--	--	--	1.04	0.0019	25.06
	2023	8.30	20.83	< 0.033	< 0.05	32.00	0.02101	< 0.0008	< 0.00029	< 0.45	0.0221	6.17
	2024	6.86	31.33	< 1.14	< 0.05	26.33	--	--	--	1.32	0.064	8.37

(*) Limit and values of PCDD / PCDF expressed in ng TEQ / Nm³

Throughout 2024, all the measured parameters are below the established limits.

- **Combustion fumes from rotary furnaces nº 2 and associated holding furnaces**

The purified gases from rotary furnace nº2 as well as the combustion gases and emissions produced in the loading area of the holding type furnaces are eliminated through this focus. Rotary furnace nº 2 also uses natural gas and oxygen as fuel. The collection system is the same as that corresponding to rotary furnace nº 1 previously described.

Parameters		SO ₂	NO _x	HCl	HF	CO	Zn+Pb+ Cr+Cu+ Mn	Ni+As	Cd+Hg	Solid particles	PCDD/ PCDF	COT
Limit as per integrated environmental authorization (mg/Nm ³)		50	300	10	1	625	--	--	--	5	0,1 (*)	30
Average for rotary furnace nº2 and associated holding furnaces (mg/Nm ³)	2022	0.31	33.85	0.38	< 0.03	9.05	--	--	--	< 0.49	0.0018	< 10.13
	2023	< 2.04	< 5.75	< 0.04	< 0.06	10.93	0.10838	< 0.00124	< 0.00129	< 0.43	0.0058	8.7
	2024	< 0.11	29.08	< 0.21	< 0.03	29.92	--	--	--	< 0.49	0.0036	8.47

(*) Limit and values of PCDD / PCDF expressed in ng TEQ / Nm³

Throughout 2024, all the measured parameters are below the established limits.

- **Laboratory furnaces**

The installation of laboratory furnaces consists of 2 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, marking a biennial periodicity for their measurements.

Parameters		HCI	COT
Limit as per integrated environmental authorization (mg/ Nm ³)		10	30
Figures for laboratory furnaces (mg/ Nm ³)	2022	--	--
	2023	0.083	2.33
	2024	--	--

8.8.2 Emissions discharge into the sewer

The water outlets of the plant are divided according to their origin as follows:

- Industrial origin.

These are the waters that come from the semi-closed cooling circuits (punctual purges in back-washings of the filters of the cooling towers), together with the runoff waters collected inside the plant.

- Domestic origin.

They are the sanitary waters coming from the offices and changing rooms.

At the beginning of 2007, the definitive connection to the municipal water sewer of the Bilbao Water Consortium was made of all the waters previously described.

The company has a single point of discharge which discharges directly into the municipal sewer. The total calculation of the discharge waters during the year 2024 reaches the value of 35,211 m³.

The characterization of the spill is carried out based on the quarterly analyses carried out by the Bilbao Water Consortium itself. The values referenced in the attached table are average values of the 4 annual analyses. Below are the measurements corresponding to the last 3 years carried out by the entity, as well as the legal limits imposed by the integrated environmental authorization:

Parameters	Limits set in integrated environmental authorization	Average readings for discharges		
		2022	2023	2024
PH	6.0-9.5	8.05	8.20	8.03
Ammonia	300 mg/ L	2.75	1.47	1.65
Zn	15 mg/ L	0.05	0.05	0.05
Cu	7.5 mg/ L	0.05	0.05	0.05
Fe	150 mg/ L	0.50	0.75	0.50
Solids in suspension	600 mg/ L	12.20	26.60	13.00

As can be seen, none of the parameters analyzed in 2024 exceed the limits set.

8.8.3 Other environmental performance indicators

The integrated environmental authorization establishes a triennial periodicity for external noise measurements associated with the company's activity.

Throughout 2022, environmental noise measurements were carried out, taking

measurements at 7 specific points in the company's surroundings. The results obtained were the following:

Noise levels measurements 2022				
Limits set in integrated environmental authorization db(A)	Morning	Evening (Phase I)	Evening (Phase II)	Night
	78	78	78	68
Point 1: Exterior plant (X coordinate: 503483.18; Y coordinate: 4794526.63)	56	51	--	51
Point 2: Exterior plant (X coordinate: 503615.59; Y coordinate: 4794577.57)	64	63.5	67.5	63
Point 3: Exterior plant (X coordinate: 503789.06; Y coordinate: 4794469.16)	55	50	--	46
Point 4: Exterior plant (X coordinate: 503648.68; Y coordinate: 4794445.43)	56	53	--	53
Point 5: Exterior plant (X coordinate: 503617.19; Y coordinate: 4794470.84)	71	72	--	63
Point 6: Exterior plant (X coordinate: 503734.03; Y coordinate: 4794531.88)	67	65	--	64
Point 7: Exterior plant (X coordinate: 503518.03; Y coordinate: 4794575.85)	64	63	--	63

As can be seen, no point exceeds the legally established limit.

8.8.4 Environmental incidents

Throughout **2024**, no environmental incident associated with leaks, spills and/or discharges derived from the company's activity has been generated.

9 Environmental targets **2025**

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 **2025** period, which are the following:

- To reduce 500 tons of CO₂ eq greenhouse gas emissions associated with the production of secondary aluminum.
- To reduce by 2% the total consumption of natural gas used in the activity associated with the production processes of the plant.
- To reduce by 2% the generation of salt slag generated during the activity associated with the production processes of the plant.
- To reduce by 2% the electricity consumption used during the activity associated with the production processes of the plant.
- To reduce by 2% the consumption of flux used during the activity associated with the production processes of the plant.
- To reduce by 2% the confined emissions of SO₂, NO_x, HCl, HF, CO, heavy metals and solid particles.
- To reduce the polluting load of wastewater discharges 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 requirements applicable to the company. Befesa Aluminio, S.L. performs a continuous check of compliance with its legal requirements, and it has been found that there is no non-compliance with environmental or industrial safety.

The following is a non-exhaustive list of the most relevant applicable environmental legislation:

- Integrated environmental authorization
 - Resolution of March 8th, 2022, of the Basque Government Environment Office reviewing and modifying the Integrated Environmental Authorization granted to the company.
 - Request dated March 1, 2023, for a non-substantial change motivated by the replacement of a holding furnace and gas filtration system in one of the production plants.
 - Resolution dated April 27, 2023, of a non-substantial change motivated by the replacement of a holding furnace and gas filtration system in one of the production plants.
- Latest modification (in 2017) of the permit from Consorcio de Aguas de Bilbao-Bizkaia to discharge water into the main sewer.

- Legislation applicable to industrial security (firefighting systems, oil installations, high voltage, low voltage, air conditioning, etc.).
- Legionella control is associated with cooling systems to produce solid aluminium alloys.
- Royal Decree 1055/2022, of December 27, on packaging and packaging waste.
- Law 22/2011 of Wastes and contaminated floors.
- European Agreement for the international road transport of dangerous goods.

11 Cooperation with environmental organizations

Befesa Aluminio, S.L. is an active member of the following environment-related associations:

- ACLIMA (Basque Environment Industry Cluster Association). The company has signed 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.
- EAA (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. regularly participates in R&D programs with various research centers and other European firms, mainly for the improvement of recycling, valorization, and the best possible use of aluminium industry waste.

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 declaration is valid for 12 months, with the following declaration validated in June 2026.

If you want to know more details about Befesa Aluminio, S.L. Erandio plant 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. Oskar de Diego Rodríguez at:

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Glossary:**kg:** kilogram.**Si:** silicon.**Cu:** cooper.**Mg:** magnesium.

mm: millimeters.

t: ton.**t CO₂ eq:** CO₂ equivalent tons.**MWh:** megawatt per hour.**m³:** cubic meter.**HCl:** hydrochloric acid.**HF:** hydrofluoric acid.**NO_x:** nitrogen oxides.**SO₂:** sulphur dioxide.**SST:** solids in suspension.**NH₃:** ammonia.**Zn:** zinc.**Fe:** iron.**g:** gram.**NaCl:** sodium chloride.**KCl:** potassium chloride.**cm²:** square centimeter.**h:** hour.**kW:** kilowatt.**V:** volt.**R&D:** research and development.**m²:** square meter.**GHG:** greenhouse gases.**mg/ Nm³:** milligram per normal cubic meter.**Pb:** lead.**Cr:** chromium.**Mn:** manganese.**Ni:** nickel.**As:** arsenic.**Cd:** cadmium.**Hg:** mercury.