



urencO

Sustainability report 2016



URENCO engages regularly with stakeholders in an open and transparent way. Our stakeholder engagement policy is a core aspect of our commitment to good governance and part of our efforts to raise awareness of our operations and our industry, enabling us to understand their specific issues and concerns.

Through frequent stakeholder engagement, we are able to identify, manage and mitigate the sustainability risks and opportunities we face. In this way, the process of engagement underpins our commitment to our people, communities and the environment, and to the long-term success and sustainability of URENCO.

Identifying our stakeholders

We define our key stakeholders as those we impact most as a business, and those who have significant influence on URENCO. In 2015, we conducted a comprehensive stakeholder mapping exercise to determine our key stakeholder groups. In 2016, we reviewed this mapping and were satisfied that the stakeholders identified in 2015 still hold true. While not exhaustive, the groups that form the core focus of our stakeholder engagement include (listed alphabetically):

- Customers
- Employees, including apprentices (across the organisation)
- Government/politicians (senior policy advisors, local government)
- Investors/shareholders/banks/rating agencies
- Local communities (those located close to our enrichment facilities and offices)
- Media/social media (global)
- Non-Government Organisations (NGOs):
 - Environment
 - Environment agencies (including campaign groups)
 - Research bodies
 - Community
 - Local authorities (in the countries where we operate)
 - Trade and industry associations (e.g. World Nuclear Association, national industry associations)
- Competitors (there are four primary global enrichers in the nuclear fuel cycle)
- Peers ⁵ (examples include Amec Foster Wheeler, Cameco, Hitachi and Johnson Matthey)
- Regulators (local and international)
- School children/students/graduates
- Suppliers (fuel cycle partners including fabricators/converters/transporters)

⁵ We define our peers as those organisations of a similar size and structure, which we benchmark our sustainability performance against in order to enhance our sustainability programme.

Engaging with our stakeholders

Recording stakeholder dialogue

Every year, we record and collate stakeholder dialogue from each of our enrichment facilities and offices in a single stakeholder log. In 2016, this process once again enabled us to maintain an up to date account of stakeholder concerns and deal with them quickly and efficiently. This process also helped us highlight those issues that need closer monitoring.

Stakeholder group	Type of engagement	Example topics raised by individual stakeholders	Achievements in 2016
Customers	<ul style="list-style-type: none"> Regular ongoing contact with each of our customers (including visits to URENCO's sites) Social media for news and corporate updates 	<ul style="list-style-type: none"> Management of tails⁶ Environmental and sustainability impacts 	<ul style="list-style-type: none"> 100% customer delivery record A new long term customer added to the portfolio 0 customer complaints
Employees	<ul style="list-style-type: none"> Quarterly 'About U' company magazines across the organisation Employee briefings/All Hands meetings/works councils Employee gatherings and events 	<ul style="list-style-type: none"> Growing our Stable Isotopes business Final salary pension Strategic review 	<ul style="list-style-type: none"> Increase in volunteering hours across the organisation of 37% Enhanced ZERO HARM campaign with new initiatives and contractor education Employee engagement on strategic review and implementation Regular employee dialogue with employees through briefing sessions and works councils
Government/politicians	<ul style="list-style-type: none"> One to one meetings Structured communication through URENCO's Joint Committee Enrichment facility visits from key officials 	<ul style="list-style-type: none"> Political landscape Investment in local areas Opportunities in new markets 	<ul style="list-style-type: none"> Site visits Continued dialogue with key opinion formers in EU and USA
Investors/shareholders/banks/rating agencies	<ul style="list-style-type: none"> Investor roadshows Shareholder working groups 	<ul style="list-style-type: none"> Current market conditions Economic performance 	<ul style="list-style-type: none"> One to one meetings held throughout the year Full Year 2015 Results presentation
Local communities	<ul style="list-style-type: none"> Local liaison dialogue Practical and financial support for community initiatives Tours of our enrichment facilities 	<ul style="list-style-type: none"> Richie Programme (URENCO's science education programme; see page 27) Community workshops Traffic and noise issues raised in regard to the Capenhurst site Sponsorship opportunities Participation in community events 	<ul style="list-style-type: none"> Regular council and local liaison meetings Noise monitoring equipment installed at the Capenhurst site in response to concerns raised by local residents Traffic situation lessened by avoiding highly congested routes into the Capenhurst site Continued with the highly valued Richie Programme of science workshops
Media	<ul style="list-style-type: none"> Journalist tours of our enrichment facilities Press releases and news releases 	<ul style="list-style-type: none"> Local community grievances Potential sale of URENCO Traffic and noise issues raised in regard to the Capenhurst site (social media) 	<ul style="list-style-type: none"> Local press and radio interviews Issue of press releases Site visits

⁶ Tails (depleted UF₆) is the by-product of the enrichment process. We store tails at our enrichment facilities in internationally approved containers, pending deconversion to a chemically stable form – uranium oxide (U₃O₈) – for safe, intermediate storage on our sites ahead of long-term disposal.

Engaging with our stakeholders

Stakeholder group	Type of engagement	Example topics raised by individual stakeholders	Achievements in 2016
NGOs Community trade/ industry associations and peer organisations	<ul style="list-style-type: none"> We are members of a number of industry associations: see page 39. 	<ul style="list-style-type: none"> Political landscape Public education Richie Programme Workforce skills gap Innovation, technology and R&D Opportunities in new markets- to encourage nuclear demand Diversity 	<ul style="list-style-type: none"> U-Battery consortium supported at various industry events Attendance and presentations at key industry conferences
NGOs activist/ campaign groups	<ul style="list-style-type: none"> Protestors/anti-nuclear parties 	<ul style="list-style-type: none"> Potential closing of enrichment facility in Germany 	<ul style="list-style-type: none"> Gronau City Council in Germany dismissed motion against URENCO brought to them by the country's Green Party (an anti-nuclear political party)
NGOs environmental agency	<ul style="list-style-type: none"> Enrichment facility visits from key officials 	<ul style="list-style-type: none"> Traffic and noise issues raised in regard to the Capenhurst site 	<ul style="list-style-type: none"> Noise monitoring equipment installed at the Capenhurst site in response to concerns raised by local residents
Regulators	<ul style="list-style-type: none"> Enrichment facility inspections, audits and visits from key officials 	<ul style="list-style-type: none"> Licensing applications and continuing to meet regulatory requirements Safeguards Security briefings Regulatory compliance 	<ul style="list-style-type: none"> Regular contact with national regulators for each site
School children/ graduates/ apprentices	<ul style="list-style-type: none"> Careers fairs Big Bang Fair in the UK Dedicated website for the Richie Programme Richie Programme in local schools 	<ul style="list-style-type: none"> Career opportunities at URENCO Richie Programme The nuclear industry URENCO's role in the nuclear industry 	<ul style="list-style-type: none"> URENCO announced as Major Sponsor of London Science Museum's most ambitious interactive gallery to date – 'Wonderlab: The Statioil Gallery' Collaboration with British Science Association to produce Discovery Day resource aimed at 11-14 year olds, teaching them about STEM subjects such as nanotechnology, electricity and ergonomics Third annual Richie Lecture, held at the Science Museum in the new 'Wonderlab' gallery More than 33,000 students participated in the Richie Programme globally
Suppliers	<ul style="list-style-type: none"> One to one meetings Visits to port authorities 	<ul style="list-style-type: none"> Transportation licences for shipping uranic materials Opportunities in new markets 	<ul style="list-style-type: none"> Conducted visits to port authorities in the USA and EU, looking to ensure uranic materials continue to pass unhindered through key port facilities

Glossary

British Science Association

A registered charity founded in 1831, whose vision is of a world where science is at the heart of society and culture.

Capital expenditure

Purchases of property, plant and equipment including prepayments relating to payments to ETC in advance of contracted cascade deliveries, which will be supplied in future periods.

CNS

Capenhurst Nuclear Services Limited, a subsidiary company of URENCO, has taken responsibility for storage of certain uranic materials on behalf of the Nuclear Decommissioning Authority at the Capenhurst facility in the UK.

Deconversion

This is the process of removing the volatile fluorine component from uranium hexafluoride to make stable uranium oxide (U3O8). URENCO has chosen to use U3O8 as the long-term retrievable storage form of uranium.

EBITDA

Earnings before exceptional items, interest (including other finance costs), taxation, depreciation and amortisation and joint venture results (or income from operating activities plus depreciation and amortisation, plus joint venture results). Depreciation and amortisation are adjusted to remove elements of such changes already included in changes to inventories and other expenses.

Energy Savings Group (ESG)

The ESG is responsible for driving action, accountability and engagement in energy efficiency and optimisation. Three times a year, the ESG convenes meetings to share learnings and propose initiatives to minimise energy usage.

Enrichment

The step taken in the nuclear fuel cycle that increases the concentration of U_{235} relative to U_{238} , in order to make uranium usable as a fuel for light water nuclear reactors.

ETC

Enrichment Technology Company Limited.

Euratom

The European Atomic Energy Community, established in 1957 by members of the European Union.

Global Reporting Initiative

The reporting framework which provides guidance on sustainability performance reporting.

Hazardous waste

Transported, imported, exported or treated waste deemed hazardous under the terms of the Basel Convention Annexes I, II, III and VIII.

Head Office

URENCO Group's head office in Stoke Poges, UK.

IAEA

The International Atomic Energy Agency is the world's central intergovernmental forum for scientific and technical cooperation in the nuclear field.

LED

Light-emitting diode.

Materiality

Materiality refers to the sustainability elements which are sufficiently important that they should be reported. They cover the organisation's significant economic, environmental and social impacts, or substantively influence the assessments and decisions of stakeholders.

Non-hazardous waste

Transported, imported, exported or treated waste that is not deemed hazardous under the terms of the Basel Convention Annexes I, II, III and VIII.

Nuclear Fuel Supply Chain

The multiple steps that convert uranium as it is extracted from the earth to nuclear fuel for use in power plants. Uranium enrichment is one step in the nuclear fuel supply chain.

Order book

Contracted and agreed business estimated on the basis of 'requirements' and 'fixed commitment' contracts.

Recycled

The process of putting a product to another use once its primary use has been exhausted.

Reused

The process of putting a product to another use once its primary use has been exhausted.

Richie

Richie is an animated character and acts as URENCO's science ambassador. The Richie programme is a core element of URENCO's school and education outreach. Through Richie, URENCO connects with its youngest audiences, teaching them about science and energy in an engaging and interactive way.

Richie Lecture

URENCO's annual Richie Lecture is a celebration of STEM education for school children, featuring a lecture on a related topic, held at the Science Museum.

SMR

Small modular reactors are advanced reactors that produce electric power up to 300MWe, designed to be built in factories and shipped to sites for installation as demand arises.

Stable Isotopes

URENCO's Stable Isotopes business uses centrifuge technology to produce a variety of other products for medical, industrial and research applications.

STEM

Refers to the core subjects of Science, Technology, Engineering and Maths.

Supplier of choice

Increasing available capacity and experience of new operating environments facilitates first class service delivery and the flexibility to meet the changing needs of our customers. This will enable URENCO to be considered the 'supplier of choice' by our customers.

Glossary

SWU

Separative Work Unit. The standard measure of the effort required to increase the concentration of the fissionable U_{235} isotope.

Tails (depleted UF_6)

Uranium hexafluoride that contains a lower concentration than the natural concentration (0.711%) of the U_{235} isotope.

Tails Management Facility (TMF)

The facility constructed and operated by URENCO ChemPlants Limited that will manage the deconversion of tails to stable uranium oxide (U_3O_8). Currently under construction at URENCO's UK site in Capenhurst, UK, it will consist of a number of associated storage, maintenance and residue processing facilities to support URENCO's long-term strategy for the management of tails.

U_{235}

The fissionable uranium isotope found in natural uranium.

U_{238}

The non-fissionable uranium isotope that makes up most of natural uranium.

UD

URENCO Deutschland.

UNL

URENCO Nederland.

Uranium

A fairly abundant metallic element. Approximately 993 of every 1,000 uranium atoms are U_{238} . The remaining seven atoms are U_{235} (0.711%), which is used in today's nuclear power stations to generate energy by fission.

Uranium hexafluoride (UF_6)

All enrichment processes today work with gaseous material; therefore, uranium is converted to UF_6 .

URENCO ChemPlants Limited (UCP)

URENCO ChemPlants Limited, a subsidiary company of URENCO, is responsible for the construction and operation of the Tails Management Facility at URENCO's site in Capenhurst, UK.

UUK

URENCO UK.

UUSA

URENCO's enrichment facility in New Mexico, US, owned and operated by Louisiana Energy Services LLC.

Further information

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